THE FINANCIAL POST

OF CANADA

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LOAN COMPANY BUSINESS

A BRIEF REVIEW OF THE MORTGAGE SITUATION.

How Canada Has Breasted Its Land Booms—The Net Result Has Been Beneficial—The Dead Weight Wiped Out—The Position of the Leading Company, The Canada Permanent—An Informing Analysis.

In 1898 the total amount of mortgaged land held for sale by the loan companies possessing permanent stock in Ontario was valued in the Government return at $6,057,633. In 1905 the amount was $763,402, showing the tremendous reduction made in what are usually denominated the slow or bad assets of a loan company. Thus, by over $5,000,000, the bad debts of the companies having their head offices in Ontario were reduced, or their financial position correspondingly improved.

The early nineties had witnessed the culmination of a depreciation in real estate throughout Canada. Many of the loan companies had suffered quite seriously. One prominent company having its headquarters in Toronto, through errors of management and unbusinesslike methods, had been unable to breast the baffling tide and had gone under. It was the reflex of a most excited boom. Canada has had its share of these booms, beginning with the not unnatural rush into the unknown consequent upon the building of the first important railways in the community, the Grand Trunk and the Northern, in the fifties. There was much excuse for this inflation in land values, because the importance of railway communication through territory hitherto served only by the stage-coach and the wagon-train was tremendous. The great land boom in the new northwest in 1881-1883 was also not anomalous. The rapid rise of Toronto into a city of large proportions in 1887 and 1889 was also natural.

These circumstances are quoted as showing the difficulties which beset the judgment of the directors and the operations of the managers of loan companies.

The leading loan corporations in Canada, most of which had their headquarters in Toronto, were affected. Yet their record stands to-day that in spite of the natural tendency to be affected by the inflation in values, the net result of all the booms to the companies operated on a business-like basis is that they have overcome the declines after the boom days and are in a stronger position, possibly, than if these periodic inflations had not arisen. Profiting by the experience of the past the whole community has passed through an exceptional rise in real estate values throughout Canada, in Ontario, with Toronto as a focus, in the northwest, with Winnipeg as the centre of enthusiasm, and in British Columbia with Vancouver as the magnet, and all the properly administered companies are on even keel, profiting as to their general status by the experience of the past, and benefitting by their conservative attitude arising out of the influence of that experience the safety of their operations.

This preamble is interesting as proving the old adage that land is the best founded basis for investment enterprise and that there is no better recourse for the earned increments of money well disposed than a well-administered mortgage company.

Since 1897, in Ontario, protective legislation involving a detailed scrutiny by the Government officials has assisted in safeguarding the public investments in loan companies.

A review of the report of the leading loan company in the Dominion, the Canada Permanent Mortgage Corporation, will justify the foregoing statements. This company represents a merger of four of the most important loan companies in Canada, the Canada Permanent, the Western Canada, the Freehold and the London and Ontario, which occurred in 1900. These four constituents had met with all the difficulties previously mentioned, and the oldest of them, the Canada Permanent Loan & Savings Company, has been in active operation for fifty-two years. It is interesting to note that the merger companies' first annual report, as of date, Dec. 31st, 1901, showed mortgaged land held for sale at $1,209,129. The report for 1906 indicates that in five years all this weight has been disposed of at a profit, but at the present time a merely nominal sum is left under this account.

The assets in 1901, which included this dead weight as it might be termed, were $23,198,415, and are now $26,206,337, an actual improvement from the strictly actuarial viewpoint of over $4,000,000. The liabilities to the public have increased from $15,448,006 in 1901, to $17,507,516 in 1906, or only fifty per cent. of the growth in assets. The reserve fund has grown from slightly under $1,500,000 to $2,450,000. The capital stock has not increased, the debentures and accrued interest are, $13,857,807 in 1906, as compared to $13,581,921 in 1901, or only an increase of $275,000, so that the improvement in the position of the company in its six years of amalgamated existence may be summarized in round figures as follows:

Improvement in assets	$2,000,000
Increase in reserve	960,000
	$2,960,000
Less increase in debentures	275,000
Less increase in capital ...	50,000
	$325,000
Net improvement	$2,635,000

or 43 per cent. of the capital

Speaking more in detail of the year 1906 the net earnings amounted to $630,048.39, or 10.56 per cent. on the large paid-up capital of six million dollars. After paying the usual six per cent. dividend, $250,000 were added to the reserve fund, which now amounts to $2,450,000, more than forty per cent. of the paid-up capital, and a balance of $68,756.97 is carried forward at the credit of profit and loss. The confidence of the public has again been manifested in a marked degree by a large increase in the amount on deposit and invested in the corporation's debentures. Notwithstanding the stringency in the money markets of the world, and the high rates of interest which have prevailed. the debentures issued in Great Britain have increased by $497,358.42. The assets of the corporation show an increase of $965,222.99, and now amount to $26,206,377.54. The satisfactory character of the investments is indicated by the remarkable fact that only $9,278.51 represented property on hand for sale at the end of the year, which has been reduced one-half since the books closed.

While naturally gratified at the unexampled prosperity being experienced by all classes, and in all parts of the Dominion, the directors are not satisfied that all is to be clear sailing or that storms may not be gathering. They recognize that real estate values in many localities have increased rapidly, and are now very high, and are exercising more than usual caution both in making loans and in collecting the instalments, which, as a precautionary measure, borrowers are required to pay so as to gradually reduce their individual mortgages. A more than ordinarily rigid inspection was made during the year of the securities and of every account at each of the six branches, the result having been in every case satisfactory.

THE COBALT MINES.

An Inactive Week in the Stocks—Notes on Various Properties.

The Cobalt list has been very quiet and dull during the week and calls for little comment. Beaver has shown considerable activity, 13,500 shares being dealt in, closing at 60. Foster was the only other stock to show any signs of life, the sales for the week ending Thursday being a few short of 9,000. This stock has shown firmness and there looks to be wise buying in it. The new management is giving satisfaction and the ore shipments are said to be running high in values.

There is great interest in the Nipissing shipments. During January it sent out over 300 tons, which is a record in the camp. The Wall Street Journal says that recent shipments have been very low in grade and several cars will not total over $50,000. Owing to all its work being chiefly in open cuts with very small depth, the Nipissing has been shipping considerably from the dumps, a fact which will explain the low values. The new Nipissing directorate are pursuing apparently a policy of frankness which is greatly in their favor. It is too soon to say what the total value of the January shipments will be.

The Cobalt Lake Mining Company shareholders, especially those resident in Ottawa were gladdened by the news of a strike made last Saturday while the work of stripping was proceeding on the east side of the lake. A rich vein ten inches wide showing high qualities of native silver was uncovered. An assay revealed 8,000 ounces of silver to the ton. The vein runs from the Nipissing property into the lake. The members of the Ottawa syndicate have been active in taking all the treasury stock they could find at 85 cents a share.

It is reported that the King Edward management is putting in an air compresser and ten steam drills on the Watts and King Cobalt mines.

The Cobalt Central Company brokers are booming their shares on the good showing of the Big Pete which is one of the properties comprising as a whole 205 acres.

The Cleveland-Cobalt Company is progressing actively with its operations and is erecting good buildings and installing considerable machinery.

The weather during the past week has been very cold and has not been friendly to the best work on the exposed properties.

The Big Pete carload was shipped this week to the Ricketts & Banks testing plant at Waverly, N.J. This ore will be treated by the same process that the company is going to use in its concentrating mill, now being constructed by the Traylor Engineering Co., which is expected to be in operation by May 1st.

The O'Brien mine sent sout this week a very rich carload which is said to contain ten tons of argentite. The value of the contents is estimated at $150,000.

The Empress Cobalt and Stanley Smelters are two new stocks added to the list on the Curb of the Toronto Stock Exchange.

THE SECURITY REVIEW

LONDON SHOWS GREAT CONFIDENCE IN C.P.R.

The Cheapest Financing Done by an American Railroad for a Year Back—Sale of Debenture Stock Over Par—Soon Common .Recuperates Fast—A Dividend Increase Likely in March—Nova Scotia Steel's Prospects—Sao Paulo's Saatisfactory Earnings—Rio Results Better Than Estimated.

The most influential news of the week from the Canadian stock market viewpoint was the announcement yesterday that C.P.R. had sold £1,500,000 of 4 per cent. debenture stock in London at 101½. Under ordinary conditions no great inportance would have been attached to the news because C.P.R. sells its debenture stock as occasion requires and always secures a good price. In fact the last sale of the 4 per cent. stock was about 106. The point is that under existing conditions the price is extremely favorable. The Post understands from an authoritative source the offer from the banking interests in London was considered so attractive by the C.P.R. management that, while not requiring the money for some time, it was thought prudent to increase their cash reserves as a protection against any vagaries of the money market. It is the cheapest financing done by any American railroad in the past twelve months. When old standard systems like the New York Central lines received a few weeks ago 98 for five percent .notes, and when other railroads have paid as high as six per cent., their action of London financial interests is a great evidence of their congdence in C.P.R.

It has, moreover, a wider import because it indicates a belief in London that the outlook for the general money market is improving and that the pessimism over the prospects in America is passing. The N. Y. Herald has been publishing during the past week the views of leading Parisian bankers on the outlook in the U.S., and there is much [illegible] in their beliefs. In another column will be found a more extended reference to this subject.

The turn in the market's trend would appear to have come this week. Just when stocks were at their lowest the market letters were most bearish in tone and now that an improvement has come the advisers make a change of front. Market prices are such that they can make appeal to the considerate investor.

In Canada the banks have as yet no money for the stock exchanges. The returns from the west continue to be at a minimum on account of the car shortage and the general blockade. The payments have been very slow. No strong upward movement can be expected in the stock market as long as the money continues.

C. P. R.

It is probable that C.P.R. trains will be running direct to Halifax over the Intercolonial in a very short time. It is announced that the Minister of Railways has determined on a basis and it remains for Sir Thomas Shaughnessy to accept the terms.

At the directors meeting next Monday, it is presumed that the usual half-yearly dividend, payable in April, will be declared with the half-yearly dividend of one-half per cent. on the land sales.

Nova Scotia Steel.

The earnings for the year ending 1906 are in the neighborhood of $900,000, a very satisfactory increase over last year's figures of $559,906. As there was a balance carried forward from the previous year of $795,325, there is every prospect that a dividend will be paid on the common stock either in April, or at the latest in July. At six per cent. $300,000 is all that will be required for this purpose. The fact that there are small shareholders in the Lower Provinces who bought these shares for investment and look to them for income inclines the directors all the more favorably to a resumption of the dividends. The strike in one of the colleries had little effect on the company's operations, and arose from disputes as between two sections of employes, but is now settled.

Sao Paulo's Earnings.

The net earnings of the Sao Paulo Tramway, Light and Power Company in 1906 were $1,293,259, an increase of $54,786 on the previous year. The increase in net income in 1905 was $296,691. The gross earnings in December were $175,000, and the working expenses $56,000, the net earnings for the month being $119,000, an increase over December of 1905 of $5,018f The net income of the company for the year, after deducting all expenses and fixed charges, will be something over $1,000,000, as against $962,000 for 1005. The company earned a little less than 13½ per cent. The net income, without deducting fixed charges and other expenses for five years has been: 1902, $705,369; 1903, $899,427; 1904, $941,782; 1905, $1,238.473; 1906, $1,293,259.

(Continued on Page 2.)

THE GREAT COMPANY

HUDSON'S BAY UNDER LORD STRATHCONA'S GOVERNMENT.

In 1889 the Shares Were at 18—They Later Declined to 13—Then Rose to 45—A Reorganization of Capital that Was Never Carried Out—The Next Sensational Advance—How Two Fortunes Were Lost—The Narrative Up to 1904.

Sir Donald A. Smith, now Lord Strathcona, became governor of the Hudson's Bay Company in January, 1889, Mr. Eden Colville having resigned owing to ill-health. Viscount Anson was appointed deputy governor. At that time the shares of £13 par value were selling at 18¾ to 19¼. At the general court in June, net profits of £68,022 were reported, a dividend of 14 shillings was declared, and £41,844 were carried forward. There was also a balance of some £43,000 on the land account. One shareholder, Mr. R. A. Maclean, proposed that the dividend should be 20 shillings and that there should be a return on capital of 10 shillings per share from the land sales. He also asked that the capital should be divided into land shares and fur shares and that shareholders should be allowed to inspect the share register. His proposals were defeated, the price of shares during the year appreciated slightly and for the last six months were at 20½.

The Position in 1889.

At that time it was stated by the directorate that the total land grant, exclusive of blocks adjoining stations, would, if all the territory in the fertile belt were surveyed, amount to about 7,000,000 acres, of which 3,861,000 acres had already been surveyed, and 278,800 acres sold. The amount not paid in respect of lands was $221,416.

At the general court in 1890 it was reported that there had been a heavy drop in the price of furs, and the net profits were only £24,316. It was decided to distribute the balance of £43,702 left on land account in dividends instead of as a return on capital, and one of 14 shillings was declared, leaving £38,964 to be carried forward. Shares were steady at 20½ in June, but soon afterwards began to decline and at the end of the year were at 10. The report for 1891 was not a favorable one. The lowest prices for fur known in the history of the company were obtained. The poor wheat crop had affected the general trading business, and the profits were only £16,497. A dividend of 6s. 6d. was declared. The shares had by this time declined to £15.

The next year (1892) showed some improvement, but the shares continued on the downward course and were at 13. A dividend of 12 shillings was paid.

Capital Reorganization Proposed.

It was decided at the general court that the company should apply for a supplemental charter dividing the capital into preferred and deferred shares, each shareholder to be entitled to receive one perferred share of par value £13, and one deferred share of par value £13, for each pre-existing ordinary share. The preferred shares were to rank first for dividends, which were to be cumulative at 4 per cent. per annum. The deferred shares were to be non-cumulative at 8 per cent., surplus dividends to be divided equally between the two classes. On winding up the company the preferred were to receive amount of par value in priority to deferred. The amounts received from lands were to be applied to dividends, provided that in the opinion of the directors, the unsold lands, with other assets, were equivalent to the nominal paid-up capital, and that the quantity of unsold lands was not reduced to less than 1,500,000 acres.

This supplemental charter was never applied for and no steps have been taken to carry out the resolution in the fifteen years following, although now that the shares are over 100, it would appear to be a very reasonable thing to give effect to the resolution of '92.

The Shares at 13.

In the next three years dividends of 12, 10 and 12 shillings respectively were paid. These were years when the company was marking time and the market for the shares was inactive, the ruling price being between 12 and 13. In 1895 the position of the company began to improve and the following year 13 shillings was paid and the market price was 15¼.

In January, 1896, the shares were at 16, and rose to 20 in 1897, although the dividend was only 13 shillings. That year the land sales began to show great improvement and in 1898 the land sold was 41,000 acres, or more than ten times of the sales for the previous eight years. In the next two years the land sales were over 50,000 acres. In 1899 a dividend of 13 shillings and a bonus of 7 shillings was paid, the shares advancing to 21½.

Large Sales of Land.

In 1900 land sales were over 52,000 acres, and a dividend of 15 shillings with a bonus of 10 shillings was declared, the market price being 22½. The 1902 report showed that 68,500 acres had been sold in the previous year, 1901, but the fur trade had not been so satisfactory and the dividend was 15 shillings without a bonus. The shares were, however, firm, around 22.

In 1902 the land boom was fairly under way and for the year ending March, 31st, 1902, 193,000 acres were sold. The shares this year advanced rapidly; during the winter 1901-2 they went up to 28, by the spring they were at 30, in the summer at 33, and in the autumn reached the highest point in their previous history, close to 45, from which high level they receded during the winter to £36, but not for long. The dividend in 1902 was 15 shillings, with a bonus of 7s. 6d.

A Fortune Lost.

It was at this time that the shares began to attract the attention of English investors and a few in Canada and they began to be prominent in the London Stock Exchange. Curiously enough those close to the Company's operations in Canada were conservative and thought the price had advanced too quickly. In the summer of 1902 one well known Toronto firm marketed an investment holding of 1,000 shares at around 33. As the Lawson adage says, "The man who looks back in this business will die of remorse." Those 1,000 shares if held for four years longer would have sold at an average of 123, would have netted an additional profit of £90,000 or $450,000, the dividends would have met the interest, and there had been meantime a return on capital of £3 per share, or $75,000, making the lost chance amount to $525,000. Another Toronto man who had a holding of 800 shares had liquidated on account of other requirements for the money at around 24. In 1903 a dividend of £1 2s. 6d. was paid and the prices were in the forties, with a return on capital of £2.

The high point reached that year was 45⅛, and the low was 33, early in the year. In 1904 the dividend was £1 15s., and there was a further return on capital of £1, reducing the par value to £10. The shares, however, had receded from the high point, and the fluctuations were between 35½ and 40¾.

In the following year the sensational rise began, but the narrative must be reserved for another chapter. The appreciation has been beyond the fondest hopes of the shareholders and many conservative onlookers have still continued in the belief that the great advance was not waranted. It still holds, however, and Lord Strathcona is optimistic in his annual remarks at the general court.

G. T. R. THIRDS.

A Dividend Increase of One Per Cent. Announced by a London Cable.

A Canadian Associated Press cable from London said yesterday: "The accounts of the Grand Trunk Railway for the past half-year show a surplus of £539,600 available for dividends, which will admit of the payment of dividends for the half year on the 4 per cent. guaranteed stock, and the first and second preferred stocks, and a dividend of 3 per cent. for the year on the third preference, carrying forward £13,200."

Assuming that the above is correct, the third preference stock receives an increase of one per cent. for the year. last year the rate being 2 per cent. One evening paper in Toronto analyzed the cable correctly, while another printed the following:

Montreal, Feb. 8.—The 3 per cent. half-yearly dividend declared on Grand Trunk third preference is an increase of 1 per cent. over last half-yearly dividend, and places the stock on a 6 per cent. basis.

G.T.R. thirds paying six per cent. at present prices, would be a very fine purchase. It is hardly likely that they will reach that highly desirable position for some time yet.

The dividend record of the Grand Trunk for seven years past is thus:

	Guar. stock P.C.	1st pfd.	2nd pfd.	3rd pfd.
1900	4	5	3	Nil
1901	4	5	4	Nil
1902	4	5	5	1
1903	4	5	5	2
1904	4	5	5	Nil
1905	4	5	5	2
1906	4	5	5	3

The £22,000,000 of ordinary stock has as yet never received any return.

The Mackays.

The annual meeting takes places in Boston on Feb. 15. The proceedings are of a formal character. Two new trustees are to be elected. The stock has been firm but quiet during the week and through all the heavy declines, is the one security which has stood almost like a rock.

The Dominion Bank will open another branch in Montreal on or about May 1st.

In turning out 7,966 tons of rods last month, the Dominion Steel Co. eclipsed the record made by the rod mill of the American Steel and Wire Co., of Wankekan, Ill., in 1900, which was 6,384 tons.

The Sovereign Bank has evidenced its faith in New Ontario by opening four branches during this week, viz.: North Bay, Callander, Haileybury, and at New Liskeard.

THE INVESTMENT

COMPARISON OF YIE
AND 1907.

**The Views of a Montreal
Improvement in Compa
tion—A Bull Market Not
Any Further Decline Un
Through Crops—The
Banking Capital.**

Before American papers
attention to the fact th
and almost uninterrupted
had within the space of
months reduced the prices
New York shares to figures
pared favorably with the low
long-drawn decline of 1903,
idea with reference to Canad
had occurred to the writer,
comparing last week's low
those of 1903, the income
stocks appears about the
short, the grinding and at th
decline of 1903 did no more
stock quotations than
from the events of a few week
present decline.

There is, at least, food for
in such figures as these:

Toronto Railway in 1903, pay
per cent. dividends, declined to
at this price returned 5.61 per
the investment. On a 6 per
last week it touched 110, yiel
the purchaser at this price
cent.

In Detroit Street Railway the
price for 1903 when paying 4
dividends was 53, yielding 7.5
cent. Last week the same stock
5 per cent. basis, touched 76, at
price it would net 6.57 per cent.

Montreal Power in 1903, paying
cent. dividends, declined to 63½
a yield of 6.25 per cent. The
low price was 86 for the same
paying 5 per cent. dividends and
ing 5.81 per cent. at the price.

Further comparison of the earn
many companies during these
ods indicates that the stock
of last week obtained better

Toronto Railway earned 8½ per
in 1903 as against 10½ per cent.
Montreal Street Railway in 1903
11¼ per cent. and in 1906 15 per
Detroit Street Railway 6½ per
1903 and over 9 per cent. in
Montreal Power
against 7½ per cent. in 1906;
lar comparisons can be made in the
of many other companies.

Although professional and
fessional sentiment remains for
most part bearish, it is respect
submitted that cold facts such as
above must in the end easily out
feelings and technical stock
arguments. While a bull market
not to be expected, and is entirely
desirable in the present world-wide
od of money tension, neither
facts support contentions that a
market of large proportions is well
der weigh. It would probably be
gested by the judicially-minded that
state of equilibrium at a certain
of prices will soon be reached, to
disturbed one way or the other by
event of the crops of 1907.

Recent announcements of new
of stock by the Dominion and Ho
laga banks respectively agreed well
Montreal sentiment on the subject
banking capital. It is felt that
continued extraordinary expansion
this country will tax the present
sources of the banking section
utmost for the next few years, and
issues of stock must be expected
provided for. It is strictly in line
old-world sentiment, and even with
ideas obtaining in the larger Ame
cities, that banking capital should
furnished by the strong existing
tions or new and more powerful
binations of smaller banks, rather
by newy-born concerns. In no bra
business is tradition, conserva
judgment and experience so abso
necessary and certainly in the com
tion for business by new banks,
of the requisites for safety might
be diregarded.

It is a part of the history of
stock market that from time to
there follows a long series of even
the same tenor. For a period all
and facts are, or seem to be, favor
to higher prices. Then ensues a ti
depression when all news seems un
able to values. Recently Cana
stockholders have, day by day, bee
galed with news of an unfavorable
acter and there has been so much
this that at last we have arrived
stage when such things have no
effect. On the other hand unfav
news would probably be received
would at once become effective.
haps last Monday's announcement
reference to Montreal Light, Heat
Power Company that the city
after months of deliberation, had
tled upon the terms of the new gas
electric contract for a 20 years
sion of franchise is the first of a
of favorable events to follow.

Soo Common.

Soo showed recuperative powers
ing the week, closing seven points
er. In well-informed quarters, it
fidently believed that the issue will
placed on an increased
in March. The long-talked-of seven
cent. is considered to
rate. After its severe
showing signs of reviving
effect to net earnings of
weather is $500,000, this loss
small figure in the generally str
tion of the company's

BANK OF MONTREAL
(ESTABLISHED 1817)
Capital (all paid up), $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $159,831.84
HEAD OFFICE—MONTREAL
BOARD OF DIRECTORS
Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., Honorary President; Hon. Sir George A. Drummond, C.M.G., President; E. S. Clouston, Esq., Vice-President; A. T. Patterson, Esq., R. B. Angus, Esq., E. B. Greenshields, Esq., James Ross, Esq., Hon. Robt. Mackay, Sir William C. Macdonald, R. G. Reid, Esq.
E. S. Clouston, General Manager. A. Macnider, Chief Inspector, and Superintendent of Branches.
H. V. Meredith, Assistant General Manager, and Manager at Montreal.
C. Sweeny, Superintendent of Branches, British Columbia. W. E. Stavert, Superintendent of Branches, Maritime Provinces.
F. J. Hunter, Inspector N. West and Br. Col. Branches. E. P. Winslow, Inspector Ontario Branches.
BRANCHES IN CANADA
Province of Ontario.—Alliston; Almonte; Aurora; Belleville; Bowmanville; Brantford; Brockville; Chatham; Collingwood; Collingwood (Ontario Bank Branch); Cornwall; Deseronto; Eglington; Fenelon Falls; Fort William; Goderich; Guelph; Hamilton; Hamilton, Sherman Ave.; King City; Kingston; Kingston (Ontario Bank Branch); Lindsay; Lindsay (Ontario Bank Branch); Millbrook; London; Mount Forest; Newmarket; Ottawa; Ottawa, Bank Street; Ottawa (Ontario Bank Branch); Paris; Perth; Peterboro; Peterboro (Ontario Bank Branch); Picton; Port Arthur; Port Hope; Sarnia; Stratford; St. Marys; Sudbury; Toronto—Front Street, Yonge Street, Wellington Street (Ontario Bank Branch), Queen Street (Ontario Bank Branch), Richmond Street (Ontario Bank Branch), Carlton Street (Ontario Bank Branch); Trenton; Tweed; Wallaceburg; Warsaw; Waterford.
Province of Quebec—Buckingham; Cookshire; Danville; Fraserville; Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Ontario Bank Branch, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town; Sawyerville.
Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.
Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.
Northwest Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.
Province of British Columbia—Armstrong, Enderby, Greenwood, Kelowna, Nelson, New Denver, New Westminster, Nicola, Rossland, Sumerland, Vancouver, Vernon, Victoria.
IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.
IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)
IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineau, Agents), 3 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal.
IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)
BANKERS IN GREAT BRITAIN
LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng, Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches
BANKERS IN THE UNITED STATES
NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
BOSTON, J. B. Moors & Co.
BUFFALO, The Marine Natl. Bank, Buffalo
SAN FRANCISCO, The First National Bank.
" " The Anglo-Californian Bank, Ltd.

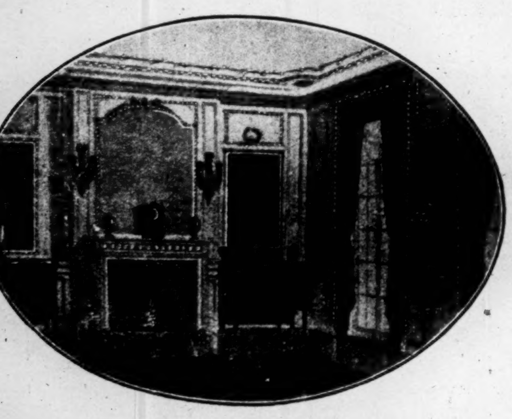
THE MERCHANTS' BANK OF CANADA
ESTABLISHED 1864
HEAD OFFICE - - - - MONTREAL
Capital Paid-up - - - $6,000,000
Reserve Fund and Undivided Profits, $3,674,596
The Bank has 118 Branches and Agencies distributed through Ontario, Quebec and the Western Provinces.
Special attention given to Collections.
Commercial and Travellers Letters of Credit issued, available and payable, respectively, in all parts of the world.
New York Agency: 63 and 65 Wall Street

HEAD OFFICE, MONTREAL

.THE MOLSONS BANK
Capital paid up, $3,000,000
Reserve Fund, - 3,000,000
JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector
60 BRANCHES THROUGHOUT CANADA

THE METROPOLITAN BANK
Capital Paid up - - - - - - $1,000,000.00
Reserve Fund and Undivided Profits - $1,183,713.23
DIRECTORS:
S. J. MOORE, PRESIDENT. D. E. THOMSON, K.C., VICE-PRESIDENT.
HIS HONOR W. MORTIMER CLARK, K.C.
THOMAS BRADSHAW JOHN FIRSTBROOK JAMES RYRIE
Head Office: TORONTO
W. D. ROSS, GENERAL MANAGER.
GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES

BANQUE D'HOCHELAGA
Capital Authorized, $4,000,000
Capital paid up, $2,000 000 - Reserve Fund, $1,600,000
DIRECTORS:
F. X. ST. CHARLES, ESQ., - - - President
ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ. J. A. VAILLANCOURT, ESQ.
A. TURCOTTE, ESQ. E. H. LEMAY, ESQ. J. M. WILSON, ESQ.
J. A. PRENDERGAST, General Manager. C. A. GIROUX, Manager
HEAD OFFICE - - - MONTREAL
CITY BRANCHES—Mount Royal Avenue (corner St. Denis), St. Catherine Street East, St. Catherine Street Centre Notre Dame Street West, Hochelaga, Maisonneuve, Point St. Charles, St. Henry, Town of St Louis
BRANCHES:—Berthierville, P.Q., Edmonton, Alta., Joliette, P.Q., Laprairie, P.Q., Louiseville, P.Q., Quebec, P.Q., Quebec, St. Roch, Sorel, P.Q., Sherbrooke, P.Q., St. Boniface, Man., St. Hyacinthe, P.Q., St. Jacques L'Achigan, P.Q., St. Jerome, P.Q., St. Pierre, Man, Three Rivers, P.Q, Valleyfield, P.Q., Vankleek Hill, Ont., Winnipeg, Man.



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SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

V.

A YOUNG MAN AND HIS MONEY.

There are many thousands of young men who save from $5 to $20 per week. Nine out of every ten of them put this money into a bank, and get on it, at the most, 4 per cent. a year. This habit of saving money is the basis of wealth. It is the small savings of the French people that make France rich, and it was these small savings that brought so quick a recovery from the disasters of the Franco-Prussian War. Similarly, the habit of saving will make the United States a wealthy nation.

A large percentage of those who do not patronize the banks, and perhaps also of those who do, buy from time to time stocks of mining companies, small venturesome industrial concerns, partnerships in gambling ventures of various sorts. These alleged investments are selected almost at random. A tip from a Wall Street friend, a newspaper story from Nevada, tales of the great wheat fields of the far northwest, are sufficient basis for buying. It need hardly be said that almost ninety out of every hundred dollars risked in this way never come back.

It is the duty of every writer for investors to warn them against such purchases. They are merely blind gambles. Once or twice in a lifetime the gambler "makes good." The other times he helps the promoter to make good. Perhaps he does the country good, for money is made to circulate, but the average man who saves his $15 a week is not called upon to practice altruism to this extent.

It is not, however, necessary for the young man with ordinary intelligence, to allow his money to lie idle. It can easily be well invested. The popular idea that real investment needs money in large quantities, and that the little man can only gamble in the stock market, is erroneous. There are hundreds of young men in New York City who not only invest their small savings, but invest them with wonderful success.

When the late Marshall Field began to accumulate a surplus of cash in the banks, after the Chicago fire, he looked about the country to find a use for it. Among the first things upon which he fell were railroad bonds and stocks. He chose stocks, because he saw that if the country grew, the stocks would get the greater part of the benefit of that growth. He chose the stocks of western railroads, because he believed that the growth of the west would be greater, faster, and even surer than the growth of the east. He bought stock in the Chicago & Northwestern Railroad at less than $75 per share. At his death he was one of the largest individual owners of that stock, now worth nearly $250 a share.

That incident may be taken as a text by the young investor with a surplus, no matter how small. It was the same principle that drew Mr. Field into the real estate market in Chicago. He bought nothing that did not appeal to him as full of possibilities. In later years, when his purchases of stocks and bonds were on a tremendous scale, he still adhered to that principle-

Mr. Field, it will be noted, invested his surplus on the same principle upon which he built up his business, namely, to put the money where it had a chance to grow. The young man can do the same thing. No one will accuse Mr. Field of having been a gambler. Perhaps, of the great American business men of his generation, he was the least open to such an accusation. Yet, at his death, he was the owner of many stocks that he had bought in the open markets at a time when ultra-conservative buyers would have classed them as "mere gambles."

Common sense, intelligent reading of current facts, persistent saving, are the sole necessities. Perhaps above all else it is necessary to avoid the tipster. The small investor who buys with the hope of selling again in a month, six months, or even a year, is not an investor at all. He is a gambler looking for a gambler's profits. He is not considered here.

The correct principle for such investment as Mr. Field's is found in the economic principle that the people keep pace with the nation. As a nation grows rich, its people, its corporations, its industries grow. The young man's investments, if he is wise, will be in companies that have not reached their growth, that are practically only promising prospects, and yet have in them the elements of solidity and permanence. Common stocks of railroads in good sections or in new sections; common stocvs of great manufacturing companies, new, or but half established, but the business of which is plainly in sight, and proper investments for such a buyer.

It is, perhaps, as well to discard at once the idea of getting any considerable revenue from such investments. The investment is not made for the present, but for the future. To buy stocks or bonds that yield revenue now is to buy securities that represent development; the aim of the young investor should be to discount development—to become a sharer in development. Non-dividend stocks of the railways of the west and the industrial companies are the field.

Granting that the big profits of the future are to be made from stocks in such enterprises, what method should be followed in buying? Here the investor may go utterly wrong, unless he uses the same kind of judgment in buying that he would use in buying real estate or other stable property. No investor can afford to go ahead and buy without using judgment. He may invest on top of a boom that has carried all stocks to abnormal prices just as at the top of a real estate boom he might buy himself a house at twice the price he would have paid six months before or six months later. It does not take a high order of intelligence to discover, on broad lines, whether the time is favorable or unfavorable.

There is nothing reckless about the buying of cheap railroad stocks. It is a process of investment that has made the fortunes of thousands of wealthy men throughout the United States and England. It is merely an intelligent method of putting away money not needed in the ordinary course of life. The average young man who has money in the bank does not use the interest he receives on it. He merely lets it lie and accumulate. He is earning his living, and does not need income from investments. He wants to invest his revenue so that when the time comes for him to leave active life, and when he needs income, his principal for investment will be as big as possible. He must, therefore, buy the things that have a future, not those that have a glorious past.

This doctrine will be condemned by many. It will be argued that it is a dangerous doctrine, that it will show great losses at times, that it will lead to speculation. All this is admitted, in a sense. The misuse of such methods, the carrying of stocks on borrowed money, the following of speculative "tips" for a sudden rise, are abuses of this method, not its uses. Used wisely, it is the best and the safest of all investment methods that are designed to increase the principal rather than to yield an income. For the average young man, building up a surplus for himself against the future, it is the only method of investment in securities that is worth practicing.

THE SECURITY REVIEW

(Continued from Page 1.)

C. P. R.

Jaffray & Cassels in their weekly letter say:

"The action of C.P.R. stock in the market suggests a liberal supply of offerings which, however, meet good support. It would appear that shareholders have been disturbed by the effect of the severe weather on the earnings. Decreases were to be expected in the normal winter, because last winter was abnormally open. An estimate made by the writer at the end of the company's fiscal year gave $2[illegible] net as the probable amount by which the company's earnings were increased by the openness of the winter. A fairer estimate of the company's present condition can be obtained by comparing present earnings with those of two years ago. This comparison should encourage holders. There is just as much business to be done this year as last, but weather conditions prevent this being done at once. These conditions affect all the northwestern roads. The business is not being done by any of their competitors. A large portion of it therefore is only being postponed. And we shall be much surprised if when the winter breaks the traffic returns of all northwestern roads do not begin to show large increases. The same arguments apply to the "Soo" line. Action on the next semi-annual dividend of the latter company is expected in the last week in February.

"Some fears have been expressed lest the severity of the northwest Winter should check immigration. We are not incline to agree with this view. The severity of the winter has not been confined to Canada, but extends to the northwestern and middle states, and also to Europe. Many intending immigrants therefore who have been hesitating about coming to Canada, fearing a cold climate, have found they did not escape it by remaining away. In view of this the relative merits of the Canadian northwest as a field for agriculture have not been affected."

Rios.

There was some apprehension that the floods reported in the valley of Rio de Janeiro last month might have damaged the Rio Company's property, but cable advices to the British Empire Trust Company in London, the registrars and general secretaries in Europe day in Montreal, at the Bank of no damages had been done beyond the burning out of a few motors and a slight interruption to traffic on one section.

According to announcement, the earnings of the Rio de Janeiro Tramway, Light & Power Company for the month of December were larger than anticipated, being $161,000 net, as against $182,500 net in November, $156,660 net in October and $132,000 net in September. The December earnings are $21,000 above the average of the preceding three months. Working expenses increased to $352,600 and gross earnings to $513,600. The net earnings of the year will exceed those of the first twelve months that the company had control of the enterprise to June, 1906, by some 19 per cent.

Detroit United.

The Detroit United's general balance sheet as of Dec. 31, 1906, shows total assets as $38,521,352, against $36,571,888 the previous year. Investments, 733,566,141, against $32,815,679; current assets, $4,502,267, against $2,342,436; cash, $43,896, against $96,279; current liabilities, $2,218,769, against 21,231,813; profit and loss surplus, $1,546,272, against $1,397,637.

Mexican Light and Power.

This company is enlarging its operations and has now a monopoly of the lighting business in the federal district of Mexico. In view of the extension expenses ahead of the company it is hardly likely that a dividend will be paid on the common stock for at least the first half of the year.

The annual meeting of the Mexican Light and Power Co., held on Wednesday in Montreal, was rendered interesting by an announcement from Mr. C. H. Caban, the general attorney, that the company had purchased the only other remaining lighting company in operating in the federal district of Mexico. He had purchased the company for $350,000, and it would be paid for just as soon as the finances of the Mexican company were in a condition to permit of it being done. This would give the Mexican Power a monopoly throughout the federal district of Mexico. Most attention is given to a new plan decided upon by the directors which would enable the company to secure large additional amounts of power. It was proposed to develop the water-power in the Larungo Valley higher up than Necaxa, and by expending $3,350,000 the company would be able to increase its amount of power from 50,000 horsepower to 100,000 horsepower. The old board of directors, with the exception of Mr. James Ross, who retired, was reelected.

THE CANADIAN BANK OF COMMERCE
PAID-UP CAPITAL, - $10,000,000
REST, - - - 5,000,000
Head Office - - TORONTO
BOARD OF DIRECTORS:
B. E. WALKER, Esq., President
ROBERT KILGOUR, Esq., Vice-President
Hon. Geo. A. Cox,
Matthew Leggat, Esq.
James Crathern, Esq.
John Hoskin, Esq., K.C., LL.D.
Joseph W. Flavelle, Esq.
A. Kingman, Esq.
Hon. L. Melvin Jones,
Frederic Nicholls, Esq.
H. D. Warren, Esq.
Hon. W. C. Edwards
Z. A. Lash, Esq., K.C.
E. R. Wood, Esq.
Alex. Laird, General Manager
A. H. Ireland, Superintendent of Branches.
168 Branches in Canada, the United States and England
London (England) Branch: 60 Lombard Street, E.C.
S. Cameron Alexander, Manager
New York Agency: 16 Exchange Place
Wm. Gray and H. B. Walker, Agents
Toronto Branch
M. Morris, Manager
C. Camble, Asst. Manager
This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection bills on any place where there is a bank or banker.
BANKERS IN GREAT BRITAIN
The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

The Dominion Bank
HEAD OFFICE - TORONTO, ONT.
Capital Paid-up - - - - - $3,000,000
Reserve Fund - - - - - - - 3,900,000
Deposits by the Public - - - - 35,000,000
Total Assets - - - - - 46,000,000
DIRECTORS.
E. B. OSLER, M.P., President
WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN
R. J. CHRISTIE
W. R. BROCK
TIMOTHY EATON
J. J. FOY, K.C., M.L.A.
CLARENCE A. BOGERT, General Manager
H. J. BETHUNE, Chief Inspector
Sterling and Continental Exchange Bought and Sold
Agents in Great Britain—The National Bank of Scotland, Limited, and its branches
Branches and Agents throughout Canada
Commercial and Travellers Letters of Credit issued, available in all parts of the World

THE BANK OF TORONTO
Incorporated 1855
HEAD OFFICE, TORONTO, ONT.
Capital - - $4,000,000
Rest - - - 4,500,000
Assets - - 37,000,000
ACCOUNTS opened for firms, corporations and business men.
MONEY LOANED to responsible people.
LETTERS OF CREDIT issued for Travellers or for Importers, containing every facility for safe and convenient banking.
INTEREST paid on Savings Deposits.
EFFICIENCY and SATISFACTORY SERVICE will be found in every department of our business.
70 Branches in Ontario, Quebec and the West
CORRESPONDENTS IN
NEW YORK - - - National Bank of Commerce
CHICAGO - - - - First National Bank
LONDON, ENG. - London City and Midland Bank
THE BANK OF TORONTO

THE MERCHANTS BANK Of Canada

Notice is hereby given that a dividend of two per cent. for the current quarter, being at the rate of eight per cent. per annum upon the Paid-up Capital Stock of this Institution, has been declared, and that the same will be payable at the Bank and its Branches, on and after Friday, the first day of March, next, to Shareholders of record at the close of business on the fifteenth day of February, 1907.

By order of the Board,

E. F. HEBDEN,
General Manager.

Montreal, Jan. 22nd, 1907.

THE STERLING BANK OF CANADA
Head Office, Toronto
General banking business conducted
Correspondents at financial centres abroad.
F. W. BROUGHALL
General Manager.

Authorized Capital $5,000,000
UNITED EMPIRE Bank of Canada
DIRECTORS
Samuel Barker, M.P., Hamilton, President; Mark Bredin, Toronto; T. Willes Chitty, London, Eng.; George A. Clare, M.P., Preston: E. E. A. DuVernet, Toronto; Lt.-Col. F. T. C. DuVernet, London, Eng.; Rev. T. C. Street Macklem, Toronto; Stanley Marling, J. P., Stroud, Eng.; M. McLaughlin, Toronto; Bennett Rosamond, Almonte; William J. Smith, Toronto.
General Manager, GEORGE P. REID
Head Office, TORONTO
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COLLECTIONS NEGOTIATED AND RECEIVED
CORRESPONDENCE INVITED

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and
Municipal Securities
and
Corporation Bonds

which are first mortgages on undoubted security.

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Tramway Light & Power Co.,

Write for our special circular giving information in regard to Organization, Franchises, Earnings, Etc.

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42 King Street, West, Toronto

STATEMENTS

We are prepared to furnish reports on Investment Securities on request.

Requirements of Investors carefully considered by personal interview or correspondence.

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Bought and Sold
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22 St. John Street MONTREAL

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Seventh Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held in the Head Office of the Corporation, Toronto Street, Toronto, on Tuesday the 5th inst. at 12 o'clock noon.

In the unavoidable absence of the President, Mr. W. H. Beatty, the chair was taken by the First Vice-President, Mr. W. G. Gooderham. The Secretary Mr. George H. Smith, was appointed Secretary of the meeting, and read the report of the Directors for 1906 and the General Statement of Assets and Liabilities, which are as follows :

DIRECTORS' REPORT.

The Directors herewith submit to the Shareholders the Seventh Annual Statement of the business of the Corporation, duly verified by the Auditors.

The net profits for the year were $634,048.39 after deducting all ascertained losses, interest on borrowed capital, expenses of management and all other charges. This sum, with the unappropriated profits of $44,708.50 as at December 31st, 1905, amounted to $678,756.89, which amount has been disposed of as follows :

Two half-yearly dividends of three per cent. each on the Capital Stock	$360,000 00
Transferred to Reserve Fund	250,000 00
Balance carried forward at credit of Profit and Loss	68,756 89
	$678,756 89

Our total Assets now amount to $26,206,337.54. The addition of $250,000 to the Reserve makes that fund $2,450,000, equal to more than forty per cent. of the paid-up Capital Stock.

All of which is respectfully submitted.

W. H. BEATTY,
President.

GENERAL STATEMENT

LIABILITIES.

Liabilities to the Public.			
Deposits and Accrued Interest		$3,639,052 14	
Debentures — Sterling — and Accrued Interest (£1,961,454 1s 0d)		9,545,743 05	
Debentures.— Currency — and Accrued Interest		3,865,304 28	
Debenture Stock and Accrued Interest (£91,800)		446,760 00	
Sundry Accounts		10,657 28	
			$17,507,516 75
Liabilities to Shareholders.			
Capital Stock		$6,000,000 00	
Reserve Fund		2,450,000 00	
Balance carried forward at credit of Profit and Loss		68,756 89	
Dividend No. 14	$180,000 00		
Dividends Unclaimed	63 90		
		180,063 90	
			8.698,820 79
			$26,206,337 54

ASSETS.

Mortgages on Real Estate	$23,051,182 60	
Advances on Bonds and Stocks	1,704,627 99	
		$24,755,810 59
Municipal Debentures, Bonds, Etc		529,744 15
Office Premises (Toronto, Saint John and Regina		324,104 32
Cash on hand and in Banks		596,678 48
		$26,206,337 54

R. S. Hudson
John Massey, Joint General Managers

We beg to report that we have made an audit of the accounts, and examined the vouchers and securities of the Canada Permanent Mortgage Corporation for the year 1906. We certify the accompanying Statement is a true exhibit of the Corporation's affairs as shown by the books at 31st December, 1906.

A. E. Osler, A.C.A.
Henry Barber, F.S.A.A. (Eng.) Auditors

The adoption of the Directors' Report was then moved by the First Vice-President, Mr. W. G. Gooderham, and seconded by the Second Vice-President, Mr. W. D. Matthews. The motion was unanimously carried.

The election of Directors resulted in the re-election of Messrs. W. H. Beatty, W. G. Gooderham, W. D. Matthews, J.Herbert Mason, Ralph K. Burgess, George F. Gault, Winnipeg ; George W. Monk, S. Nordheimer, R. T. Riley, Winnipeg ; and Frederick Wyld.

The Board met after the adjournment of the Annual Meeting and re-elected the following officers :

President, W. H. Beatty ; Chairman of the Board, J. Herbert Mason ; First Vice-President, W. G. Gooderham ; Second Vice-President, W. D. Matthews.

LARDER LAKE

A MUCH EXPLOITED BUT UNCERTAIN NEW DISTRICT.

Does it Resemble Rainy River?—The Risks that are Being Run—No Proper Maps or Surveys—The Over-lapping of Claims—Precedents of the Past—Some Advice from a Consulting Engineer.

Just now quite a number of companies are being brought out having as their object the exploiting of areas in this district. While the writer has no wish to "knock" any legitimate mining enterprise, in any part of Canada, yet the time appears opportune to call a halt to the many wild flotations that are daily being offered to the public. Larder Lake, we are informed, is to be a great gold mining camp. Let us all hope that it may, but were we not told the same of the Rainy River district in 1896 and the two following years ? Rainy River had been examined by many engineers and a great deal of prospecting and development undertaken, the titles to location were good and secure ; a certain amount of gold was won, but hundreds of thousands of dollars were lost by Canadians. There are many people in Montreal, Ottawa, Toronto and Hamilton to-day who lost large sums in properties, which had been reported upon by different engineers, after careful and detailed examination. Just to recall a few names of different so-called "bonanzas," "Foley," "Sawbill," "Hawke Lake," "Hammond Reef," "Golden Star," "Olive," "Regina," "Mikado," and dozens of others. Where are they to-day ? True, they are still there, with their expensive machinery rusting away and waiting to go to the scrap heap. The only money made through their existence was made by the men who promoted them, and sold their stock to the people, who believed what they read in the beautiful prospectus prepared for their "benefit," by those who held shares in these properties lost point out is, that though given Government reports, geologocal maps and Government inspector's reports as to operations at the different mines, and with secure titles from the crown, the people who held shares in thes? properties lost their money. What, then, is there to warrant people rushing in to buy shares in companies formed to mine gold in the Larder Lake district ? The district is not surveyed into townships or lots as at Cobalt, and there promises to be endless confusion and litigation as to overlapping claims. Some claims were staked and recorded last Summer and Autumn before the snow came, but if we are to believe the papers who are booming the district, thousands of claims have been staked out since the ground became covered with a snow mantle. The enterprising prospector starts off with his snow-shoes and dog-trains to make a discovery of valuable mineral in place. To be in place it must be in most cases covered by several feet of snow. That does not worry the snow-shoe prospector. He gets near where someone has planted some stakes and blazed some lines, and proceeds to do likewise. When he thinks he has enough "claims" he goes back to Haileybury to make an "affidavit" as to discovery. When his "claims" are recorded he proceeds to "slough them off" to the promoter, who must have "something to float." And what is more, nine times out of ten he does find people foolish enough to buy his shares. The district has not been favorably reported upon by Government engineers, and to the writer's knowledge, no claims have been inspected or "passed" by the Government inspector. The chances are that 95 per cent. of the claims staked in the district will, when inspected by the Government inspector, be reported as "no discovery," and thrown open. What redress will the people have, who foolishly bought shares in companies formed to "mine" these claims. They will certainly be wiser and poorer men, and probably decide that mining is a terrible gamble, and that they will never touch it again.

A lot of impossible nonsense has been written about the district, but the writer has never seen a report on any property made by any man, whose opinion on a mineral deposit is worth a penny. If the promoters have such rich properties to unload on the public, let them employ competent mining engineers to examine them, and let the people have cold facts and figures, not fiction. A set of picked samples, showing gold visible to the eye, does not necessarily mean that the claim from which they were taken is worth five cents as a mining proposition. The experienced mining man will tell you that he would prefer ore which does not carry visible gold, but covers values disseminated through the quartz. Where very high assays are reported there will you find pockets of ore, rich pockets and plenty of barren quartz, which will have to be mined and crushed, thus bringing down the average values. It is utter folly to talk of taking in a stamp-mill, when there is no ore developed. All over the Rainy River district and Hastings county are to be found monuments to ignorance and incompetency, in the form of mills which never crushed enough ore to pay for their cost. Before a mill is required the property must be sampled by a trained engineer and the average value of the quartz developed, accurately determined ; there should be enough payable ore exposed and blocked out to supply the stamp mill for one year, and also the best method of treating the ores ascertained by careful experiments.

Mining is a highly speculative business when gone into with every precaution, after the fullest investigation and when the management is in the hands of the most competent engineers and superintendents. When undertaken with none of these conditions fulfilled, it is blind gambling with the odds always against the shareholder. Business men who would never for a moment invest a penny in an industrial undertaking without the fullest investigation as to the title to property involved, records of the managers and directors, etc., are found to-day blindly putting their money into alleged gold mines. They are astonished when they lose their money, and mining is given a bad name forever as far as they are concerned.

The writer would urge in the strongest possible manner that the public should demand from promoters the fullest possible information on the following points before considering any proposition put before them :

1. As to title to the ground represented as belonging to the company, i.e., "Patented," "leased," "working permit," "certificate of record," "discovery reported," by Government inspector or if simply five stakes in the snow.
2. A full and detailed report on the property, with sketch plan attached, signed by some properly qualified mining engineer or geologist.
3. The record of the engineer making the report, his past experience and reputation for ability and honesty.
4. The record of the men who are responsible for the management of both the mine and the company. What properties have they been connected with in the past, and what happened to the shareholders' money ?
5. Under what laws are they authorized to sell shares ?
6. How much money have the directors actually put into the company ?

When satisfactory information is forthcoming on the above points, consider how much money you are prepared to risk without injuring your own business enterprises and act accordingly. Remember that the proper management of a mine is not as some people imagine, as easy task. Success or failure very often depends upon the ability of the man at the mine.

CONSULTING ENGINEER.

THE CLEARING HOUSE

A BRIEF NOTICE BY CLEARING HOUSE MANAGER.

Its Interesting Origin—The Oldest Clearing House in Canada.

Contributed by John Knight.

The origin of the Clearing House is said by historians, to be shrouded in doubt and uncertainty. This statement inclines one to believe that a few of the wide-awake forefathers of the present race of Bank Messengers found their daily work could be materially reduced by meeting at one of the Central London coffee houses, and there over a pewter of ale, exchanging the parcels they would otherwise have had to deliver from bank to bank.

Times are not now so conveniently spacious as in 1773 and the revolutions of years have given us palatial edifices like the New York Clearing House and a steady, well conducted set of men in neat uniforms passing along to their duty without regard to the allurement of the modern coffee house.

Halifax was the first city in Canada to introduce the clearing house. That was in 1887. At the close of the following year the Montreal Clearing House was originated. Since then the system has been extended to every city doing an extensive banking business in Canada, the most recent addition being Edmonton.

The Clearing House figures are now regarded as an index of the volume of financial business in each centre and the rival new cities of the West watch the returns with more than passing interest.

The system can be best explained to the mind of the general reader by a round game of cards played for points. The highest winner becomes the Clearing House or common banker. All debit accounts are paid to him and he disburses the credits.

In the case of the banks acting in concert in the Clearing House the debits are paid in legal tender notes. The utility is shown by the figures on record in the Montreal Clearing House that in one day's clearing the total amount was $5,777,609.53, while the actual sum required in legal tender was $618,000 and the actual time taken in delivering, receiving and balancing was only seventeen minutes.

What actually takes place may be briefly summarized as follows:—

The exchange occurs daily at 10 o'clock a.m. (on Saturdays half an hour earlier.) Each bank, at the appointed time, sends representatives to the Clearing House with the notes and cheques of other banks enclosed in sealed envelopes. At the apointed time, the manager calls out, "Ready!" and rings a bell. Each messenger from the eighteen banks then delivers the parcels in his possession, and receives in return other parcels, and returns to his respective bank with his delivery statement duly initialed by the clerks who have received the parcels he has delivered. The clerks remain to transcribe the amounts received, as shown by tickets removed from the parcels delivered to their respective messengers, to settling sheets, and proceed to calculate the differenec between the amounts delivered and the amounts received—the said differences constituting the credit or debit balance for which the manager of the Clearing House, if his figures agree with their claims upon him, signs vouchers to be used later at the settling bank. If the work of those present has been performed with accuracy, and the manager finds from the vouchers delivered him that the amounts therein stated as due to the Clearing House exactly agree with the amount due by same, the satisfactory result is announced by another ringing of the bell, and the attendant clerks return to their respective banks.

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THE FINANCIAL POST

OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in the case of Official reports of annual or other meetings, of corporations.

The acceptance and insertion of an advertisemen shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

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Toronto, February 9, 1907.

EDITORIAL NOTES.

The story of the Lawson mine on another page and the chances which were lost well fulfil that passage in the Scriptures: "The race is not to the swift, nor the battle to the strong; nor yet riches to men of understanding, nor yet favor to men of skill; but time and chance happeneth to them all."

* * *

In regard to Canadian stocks on their present levels and even at the prices of three weeks ago, The Financial Post has consistently expressed the opinion that from an investment viewpoint Canadian securities are an excellent purchase. It is true, the market has been receding for a fortnight previous to this week. The investor or even the speculator who tries to sell at the bottom and sell at the top is attempting something that is almost impossible, or at least fatuous. With the yield on many tolerable securities around 7 per cent. and very few even gilt-edged stocks on less that a five per cent. basis, it stands pretty well to reason that given sufficient foundation, this state of matters cannot always continue. The Canadian situation is in a measure governed by conditions in the U.S., not merely because the natural resources and general monetary conditions are analogous, but the reflective influence is strong.

For these reasons the views of a well-known French banker, which were cabled this week to the N.Y. Herald, are of value. They are of great interest because they differentiate just as did The Financial Post, the outlook between the speculator and the investor. M. H. Ducout, the banker in question, says:

"Almost all American securities are very low at present and investors, not speculators, may buy now without uneasiness. Eventually there will be a falling off in the profits derived from commerce and industry. Then money will be less in demand and public attention will be redirected towards these securities, which will provide very acceptable dividends, varying from 5½ to 8 per cent."

As M. Ducout points out, very judiciously, there is no such thing as an "American crisis." The country is exceedingly, indeed unprecedently, prosperous, and there is every reason to be confident that prosperity is on the upward grade. During the year just ended, according to statistics of the Bureau of Agriculture, the total value of farm products in the United States amounted to 33,970,000,000f, ($6,794,000), while the value of manufactured products is estimated at 95,500,000,000f. ($18,500,000,000). At the present moment the railway companies are at their wits' end to devise ways and means of handling the congested traffic, and the steady growth of population and industries all over the country shows that railway earnings will continue to increase for a long time to come.

There is, in fact, nothing fictitious in American prosperity. On the contrary, there is a substantial reality in which there is not the slightest element of instability.

Investors therefore need have no anxiety. Both in the present and the future they are guaranteed against a possibility of loss. As regards speculative gamblers, the outlook is less certain, and if the criticisms of pessimistic British organs are intended solely to put such gamblers on their guard the latter should do well to heed the warning.

Gambling in stocks is as uncertain as gambling at roulette, but people who put money in American securities as an investment now will not regret their action.

Bank Notes

The Bank of Toronto has opened a branch at Colborne under the temporary management of Mr. E. W. Hargraft, of Cobourg.

Mr. George F. Mackenzie has been appointed assistant general manager of the Northern Bank, Winnipeg. He was formerly manager of the Fort William branch.

Mr. Ira Peterson, manager of the Merchants' Bank at Stettler, Alta., has exchanged places with Mr. J. H. Johnson, manager at Carstairs, Alta.

A dispatch from Teheran, Persia, says that a concession for a national bank, with a capital of $25,000,000, has been signed. Foreigners are excluded from the project.

The Bank of Hamilton has advertised in the Canada Gazette its by-law increasing the capital stock from $2,500,000 to $3,000,000.

J. Morris Robinson, head of the banking firm of J. M. Robinson & Sons, died in St. John, N.B., last week. He was a descendant of Col. Beverley Robinson, who raised a regiment in the loyalist cause during the revolutionary war, and was a distant cousin of the Beverley Robinson family of Ontario. He was vice-president of the Bank of New Brunswick and a director of the Canada Permanent Mortgage Corporation.

Mr. E. L. Pense, the general manager of the Royal Bank of Canada, who has just returned from Cuba, describes the financial situation there as sound and the business outlook good.

Mr. Pease declares that whether Cuba's future is to be bound up with the United States or whether the islands will stand as a free and independent republic, with its own central government, its financial and commercial destiny are well assured. The United States authorities have the affairs of the island well in hand at the present time, but American troops are scattered all over the country, and the Government of President Roosevelt is now endeavoring to secure all the information possible as to the true state of public opinion and the real aims of the different leaders in Cuba.

Every effort will be made to provide for the perfect autonomy of the island, but if all efforts fail and it is found impossible to secure peace and harmony, there is little doubt as to the final destiny of the country being brought into union with the United States. As the Americans pledged themselves to a free Cuba, they must first ascertain whether a free Cuba be possible.

The annual statement of the Crown Bank of Canada shows that the institution in 1906 earned profits of $41,930 or 4.88 per cent. on an average paid-up capital of $845,925. This compares with $33,198 earned in 1905. The sum of $22,785 was received as premium on new stock, and $52,499 was brought forward from 1905. Dividends of 4 per cent. absorbed $33,837, and $83,377 was carried forward to 1907. On Dec. 31, 1906, the bank's paid-up capital totalled $940,780. During the year its note circulation rose from $472,645 to $622,520, its deposits from $2,014,383 to $3,493,094, its current loans from $2,099,897 to $3,088,834. The statement shows total assets of $5,346,597, against $3,324,589 a year ago.

Recent changes in the Bank of Montreal staff are:—

Mr. D. R. Clarke, formerly general manager of the Peoples Bank of Halifax, is appointed inspector of the branches of the Bank of Montreal in the Maritime Provinces and Newfoundland.

Mr. J. Morris, formerly manager of the Ontario Bank, Collingwood, is appointed manager of the Bank of Montreal at that place, in room of Mr. C. E. Freer, who is attached to head office.

Mr. W. J. Rapsey, formerly manager of the Ontario Bank, Fort William, is appointed accountant of the Bank of Montreal at that place in room of Mr. C. S. C. Hulme, who is attached to head office.

The Bank of Nova Scotia will establish a branch in the city of Quebec. The premises will probably not be ready till May 1st.

COBALT SHIPMENTS.

One Thousand Tons in January—Nipissing Heads the List.

The Cobalt shipments for the last five days in January were confined to two mines, Nipissing and Buffalo. The former sent out 4 cars of 222,484 pounds, all of which was consigned to the company in New York and the Buffalo mine shipped one car of 40,000 pounds to the New Jersey smelter, making a total of 262,484 pounds. The shipments for the month of January were as follows:

	Pounds
Nipissing	623,701
O'Brien	419,831
Buffalo	279,000
Coniagas	174,220
Silver Queen	125,683
La Rose	123,500
University	61,385
Green Meehan	61,210
McKinley-Darragh	60,000
Townsite	47,160
Foster	43,600
Total	2,016,290

The amount of the shipment is a few pounds less than in December. It is probable that the Nipissing ore will smelt at lower prices than heretofore.

The Big Pete mine of the Cobalt Central Company has become a shipper during the past week.

The shipping mines are as follows:

Nipissing
O'Brien
Buffalo
Foster
Silver Queen
Townsite
Drummond
Nova Scotia
La Rose
Coniagas
McKinley Darragh
Trethewey
Green Meehan
University
Kerr Lake
Watts
Big Pete

The Lawson, now in litigation, shipped one rich carload in 1905.

TORONTO RAILWAY

THE OUTLOOK AS TO THE FUTURE.

The President's Prophecy—How Far it is Justified by Figures—In Ten Years More What Can Toronto Railway Earn—Quite Possibly Two Millions Net Annually—The Constancy of the Increase.

The Toronto Railway Company has reached an important milestone in its history. Its franchise began on Sept. 1st, 1891, and expires Aug. 31st, 1921. Allowing one year for initial operation and re-organizing the system, the report for the year ending 1906 marks the completion of one-half of its life under the franchise. What its position will be at the end of the period, in relation to its retention of its franchise it is difficult to determine. It will be strongly enforced by its ownership of the Toronto and York Radial Railway system, which controls all the suburban lines now entering the city, and on the Metropolitan division alone has a line of over fifty miles north of Toronto. This company will undoubtedly be a most valuable asset to the parent. How great its possibilities are, no one can foresee, and it is also idle to speculate on what will be the effect of future legislation. The Radial Company by the spring will have under operation 75.7 miles. Its net earnings for the past year, after providing for fixed charges, were $30,094.16. This item is mentioned at the outset not for its present, but its future value. It belongs to the holders of common stock in the Toronto Railway Company.

A prophetic analysis may, however, be made of the fourteen years and seven months which the Toronto Railway Company had yet before it on Jan. 1st, 1907, under its urban franchise. The president stated to The Post not very long ago that the last six years of the company's operation would result in such earnings as would pay off the common stock, and as half the bonds are to be paid off by annual drawings of five per cent., between 1911 and 1921, the plant and equipment would not only cover, but leave a surplus, for depreciation over the remaining fifty per cent. equivalent on the present basis to a little over $1,800,000. How far this view is well-founded may be gathered from the annual report of the company's operations in 1906:

Gross receipts were	$3,109,739
Operating expenses were	1,646,515
Net earnings were	1,463,224
Fixed charges were	217,199
Payments to the city	429,919
Dividends	460,251
Surplus	355,854

In view of its effect on future analysis it should be stated that the ratio of operating expenses to earnings was 52.9 per cent., as compared with 56.8 per cent. in 1905.

Assuming that the first five years of the company's existence were formative and devoted to the electrification and fair operation of the system, a comparison of the last ten years, since which time it has been running on an even basis, is of value. The figures are given for 1897 and 1906. The increase has been so consistent and gradual that for simplification the intervening years can be eliminated. The bonded indebtedness has been at the fixed amount of $3,613,373. The figures are:

	1897.	1906.
Common stock	$ 7,000,000	$8,000,000
Gross earnings	1,077,612	3,109,739
Operating exp.	525,801	1,646,515
Net earnings	551,811	1,463,224
Passengers c'd.	25,271,314	76,106,932

It will be seen that in each item the increase has been in the decennial period 300 per cent. If the progress of the city were to continue in the same ratio for the next ten years another increment of 300 per cent. should take place. In 1916 gross receipts would be about $9,300,000; operating expenses would be $5,000,000; net earnings would be say $4,300,000. From the last amount the per centage to the city must be deducted, and as over $3,000,000, twenty-five per cent. must be paid, the city's share would be $1,600,000. Allowing $200,000 additional for pavement charges, $200,000 for fixed charges, the amount available for dividends on the common stock would be $2,000,000. The operations could not, however, increase in this ratio without additional capital. At the end of ten years $1,000,000 has been added. Allowing an increase of $2,000,000 in the next ten years, the common stock would then be $10,000,000, it would appear as though the president, Mr. Wm. Mackenzie, might have reason for his prophecy. The elements operating against this consummation are a halt in the growth of the city, a very likely increase in wages and supplies, and most of all, depreciation and renewals. As, however, the company has a credit now at profit and loss of $1,970,000, this sum would go a fair way towards answering for the last account. If dividends were continued on the present basis, the surplus each year would amount to large proportions in an ascending scale up to the time when a fund would be set aside for repayment of capital. This surplus has not been considered because of the expenditures that would be necessitated by new equipment and more expensive operating. There would doubtless be a considerable overplus each year, but as the estimate deals with the situation ten years hence, these sums have been applied to the contingent expenses. There is further the annual revenue from the Toronto and York Radial System, which should meet contingent account. Forecasts of figures are always problematic, yet when James J. Hill, in 1901, on the acquisition of the Chicago, Burlington & Quincy by Great Northern and Northern Pacific, made a five years' prophecy, his figures were passed in four years' time.

THE TRUST COMPANY.

It Fulfils a Very Necessary Role—The National Trust's Success.

The growth of the trust company business has been one of the features of modern finance. Primarily the service of a trust company to the community at large is of extreme value. In these days, losses which are especially liable in a new country to occur from the negligence or mal-administration of estates by individual executors, who may have neither the time nor the ability to do a trust justice, are inexcusable when there exist well managed corporations of sound standing devoted to that special purpose. In England three years ago the peculations of individuals, some of them solicitors of long standing and in hereditary control of vast estates, created much comment. It had been thought impossible that these solicitors' firms, some of them a century old, could have proved recreant. The same line of trouble marks all personal fiduciary relations sooner or later. In Canada, it was in recent years exemplified in private banks. The founders of a firm passed away. The confidence of the community continued in his successor. The stress of speculation tempting the use of deposits and trust funds proved too strong and there was an epidemic of losses to confiding communities. It is not to be presumed that a corporation is entirely free from the havoc which dishonest or incompetent management may cause in any business administration, but the percentage of loss is reduced very greatly and to a minimum when the company is in competent and honest hands, which may easily be determined, especially when between the cestui que trust and the trustee a responsible lawyer usually intermediates.

These comments have considerable point when directed to the annual report of the National Trust Company. Though in existence only nine years, it has been fortunate in being presided over by a most talented and fair-minded business man, whose operations now extend over the Empire and who has associated with him capable associates, selected with a special view to their ability and suitability for the fiduciary work in hand.

More detailed figures might be recapitulated on the report of the National Trust Company, but its growth has already been amply evidenced in its annual statements, of which the present is the most satisfactory in its successful history.

Its profits for 1906 were the largest shown by the National Trust, being $122,422, or 12.24 per cent. on capital, a very satisfactory exhibit.

THE WALL STREET LIST.

Gains During the Week—The Ease of Missouri Pacific.

The New York list shows gains on Friday's closing over the low prices prevailing a week ago. The sales during the week were on a quiet scale. The only prominent stocks to show slight declines were the Great Northern, Northern Pacific, and Missouri Pacific. There was much bearish comment on M. P. The belief was expressed that its dividend was unwarranted on its present record. It will be recalled that "Mop" was one of the few western systems which in the bad railroad times did not go into the receivers' hands. Its stock went down to ten dollars, but it was kept out of bankruptcy by the Goulds at a time when U.P. and N.P. and Atcheson were having their bonded indebtedness scaled down and calls or assessments made on the common stockholders. Missouri Pacific did not start with as clean a sheet on this account and has suffered since.

The Canadian issues were active in the first five days of the week; 50,000 shares of C.P.R. were bought and sold. Soo yesterday made a fine showing, closing at 115, as against 108 a year ago.

While gross earnings of railroads on the whole are on the increase; net earnings are not showing any improvement and in many cases are showing a decrease from a year ago. The increase in wages is assigned as the cause and it is now on the cards that the railroads will in concert increase freight rates to meet the heavier demands upon their earnings.

—	Closing Feb. 1	First.	Last.	Low.	High.
Amalg. Copper Co.	111¼	110½	113¾	110⅛	112⅞
Am. Car & Foundry	42⅜	41½	44⅜	41½	45¾
Am. Locomotive Co.	70½	70	73	70	70
Am. Smelt. & Ref.	141¾	141	144⅜	139⅞	143
Am. Sugar Ref. Co.	130	131	133¼	130	133
Am. Tobacco Co., pf.	96	96¼	96¼	95¾	96
Am. Woolen Co.	30½	30½	32½	30½	32
Anaconda Cop. Min.	272½	270½	286	270	283
At., Top. & S.F.	100½	99¾	105	99½	104⅛
Atlantic Coast Line	120	119½	122½	118¼	121
Baltimore & Ohio	116	115⅝	117¼	114¾	116⅜
Brook. Rapid Transit	72¾	72	75	71¼	23⅞
Canadian Pacific	181⅝	180	182¾	178½	181¾
Chesapeake & Ohio	49⅛	48¾	51	48⅝	50¼
Chi., Great Western	15⅛	15½	16¼	15¼	16⅛
Chi., Mill. & St. Paul	146¾	146½	149⅝	145⅝	147⅞
Chi. & Northwestern	164	163½	167¼	162¼	165
Chi., St. P., M. & Om.	165	165	165	165	165
C., C., C. & St. Louis	85⅝	85⅜	89¾	85⅜	89¾
Colorado Fuel & Iron	47½	46¼	49⅞	46	48⅞
Colorado & Southern	34⅜	34	35⅜	33	35⅜
Consolidated Gas	133½	133	134	132⅛	134
Delaware & Hudson	108½	208	212	208	212
Den. & Rio Grande	36¼	35⅞	37⅜	35⅛	37⅜
Dul., S.S. & At.	16½	16½	18¼	16½	18
Erie	34⅜	34	36½	33½	35¼
Erie, 2d pf.	59	59⅞	61¼	59	61
General Electric	156¼	157	161¾	156¼	160½
Great Northern, pf.	166¾	165¾	166¾	161¼	164¼
Illinois Central	157½	157	159	156½	158½
Interb.-Metropolitan	33¾	34	35¾	33¾	35¼
Internat. Paper Co.	15¼	16	17	15	17
Louisville & Nash.	133½	133	136¼	132¼	135
Mackay Companies	71¼	71¼	72½	71¼	72½
Mackay Companies, pf.	69½	69¼	69½	69	69¾
Mexican Central, pf.	22½	22¾	24¾	22¼	24½
Minn. & St. Louis	56¾	56	57½	56	57
M., St. P. & S.S.M.	108	108	115¼	107½	115
M., St. P. & S.S.M., pf.	138¼	138¾	147	138¼	147
Mo., Kan. & Texas	36½	35¼	39¾	35¾	38¼
Missouri Pacific	85¾	85	86½	83½	84½
New York Central	125½	124¾	129½	124½	128¼
N.Y., Ont. & Western	43⅜	43⅜	46	43½	44¾
Norfolk & Western	85	84½	87	83½	87
Northern Pacific	153½	152½	154¾	151¼	153
Pennsylvania R.R.	130¼	129½	132½	128½	131⅛
People's Gas, Chi.	98½	96	97¾	95⅝	97¼
Pullman Company	172	172	172	168¼	172
Railway Steel Spring	51	51¼	53½	50½	53½
Reading	120	119	125	119¼	123¾
Rep. Iron & Steel	34	33	36¼	32¼	36
Rock Island Co.	25⅛	25¼	26⅜	25¼	26¼
Rock Island, pf.	59	59	60	58¼	58¼
St. Louis Southwestern	23	23⅜	24	21⅞	22
Sloss-Shef. Steel & Iron	70	69	72	68	71
Southern Pacific	92¼	91½	94½	91¼	94
South. Railway	26	25¾	27¼	25⅜	26⅜
Texas & Pacific	32	32	33¾	32	33¾
Union Pacific	171½	170½	174¾	169½	173¼
U.S. Rubber	48½	48½	51¼	47½	50⅝
U.S. Steel	43½	43¼	45⅜	43¼	45
U.S. Steel, pf.	105⅛	105⅛	106¼	104¼	104¼
Wabash	16¼	16¼	16¾	16¼	16¼
Western Union Tel.	82½	82½	83¾	82½	82½
Wisconsin Central, pf.	45	46	46½	45	46¼

THE PRICE OF SILENCE.

A well known banker in a town not far from Cincinnati discovered one morning recently, on entering his office, that his safe was out of order. He immediately telegraphed to Philadelphia for an expert. When the latter arrived he found that the safe, an old-fashioned affair, locked with a key, could not be opened. After a hasty examination the expert, taking a piece of wire, dug out from the key a mass of dust and lint. He then opened the safe in the twinkling of an eye. The business man wore a sickly smile as he asked meekly:

"How much?"

"Twenty dollars."

"Do any of your firm's patrons here know of your visit?"

"Not a soul but yourself."

"Then," added the business man, "here's forty dollars. I'll take it to be a great favor if you'll hustle out by the first train. If anyone in this town knew that I had paid a man $20 to dig dirt out of a key for me I'd never do another dollar's worth of business in the whole state."—New York Times.

The Canadian Bank of Commerce has purchased $721,000 St. John, N.B. bonds at 97½. The Commerce yesterday deposited $700,000 to the city's credit with the Bank of New Brunswick.

Fourteen thousand dollars County of Renfrew 4 per cent. debentures, maturing in 20 annual instalments, were awarded to Messrs. Aemilius Jarvis & Co., the highest tenderers.

Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.	From date mentioned to the last week for which earnings have been reported.			
					Date.	1907.	1906.	Changes.
Canadian Northern	Jan. 31	90,900 00	110,800 00	minus 19,900 00	July 1	4,267,500 00	3,053,100 00	plus 1,214,400 00
Canadian Pacific	Jan. 31	1,292,000 00	1,357,000 00	minus 65,000 00	July 1	41,240,000 00	35,435,000 00	plus 5,805,000 00
Duluth, S.S., & Atlantic	Jan. 31				July 1			
Grand Trunk System	Jan. 31	999,917 00	954,230 00	plus 45,687 00	July 1	25,890,003 00	23,646,044 00	plus 2,243,959 00
Minn., St. P. & S.S.M. (Soo)	Jan. 31	145,845 95	232,511 22	minus 86,665 27	July 1	7,415,736 40	6,979,917 24	plus 435,819 16
Detroit United					Jan. 1			
Halifax Electric Tram.	Jan 31	3,857 52	3,833 53	plus 23 99	Jan. 1	12,387 76	11,732 96	plus 654 80
Havana Central R'y.								
Havana Electric R'y.	Jan. 20	30,805 00	26,272 00	plus 4,533 00	Jan. 1			
Illinois Traction								
London Street Railway								
Montreal Street Railway	Jan. 7	62,217 98	53,955 19	plus 8,262 79	Oct. 1			
Montreal Street Railway	Jan. 14	58,594 07	52,812 52	plus 5,781 55	Oct. 1			
Montreal St. Ry.	Jan. 21	59,556 28	52,577 62	plus 6,978 66	Oct. 1			
Montreal St. Ry.	Jan. 31	86,274 39	77,020 73	plus 9,253 66	Oct. 1	266,442 78	235,886 16	plus 30,556 62
Toledo Railways & L.	Jan. 31	33,821 82	37,964 45	minus 4,142 63	Jan. 1	118,244 13	105,985 31	plus 12,258 82
Toronto Railway Co.	Jan. 31	82,132 94	76,535 14	plus 5,597 80	Jan. 1	254,812 52	235,658 16	plus 19,154 36
Twin City	Jan. 21	100,072 00	91,728 00	plus 8,344 00	Jan. 1	304,884 00	273,750 00	plus 31,134 00

Net Earnings

—	DECEMBER		Changes	Six Months		Changes
	1906	1905		1906	1905	
Minn, St. Paul and Sault Ste, Marie						
Gross	920,497 79	914,689 43	plus 5,808 36	8,800,536 65	6,132,967 79	plus 667,868 86
Op. Expenses	570,168 30	470,099 69	plus 100,068 61	3,425,633 52	2,680,918 75	plus 744,714 77
Net Earnings	350,329 49	444,589 74	minus 94,260 25	3,374,903 13	3,451,749 04	minus 76,845 91
Per cent. of Expenses to Earnings	61.9	51.4	plus 10.5	50.4	43.7	plus 6.7
Duluth, South Shore and Atlantic						
Gross	254,418 32	253,792 42	plus 625 90	1,696,523 39	1,593,246 23	plus 103,277 16
Op. Expenses	180,093 29	160,468 48	plus 19,624 81	1,121,919 91	1,019,977 35	plus 101,942 56
Net	74,325 03	93,323 94	minus 18,998 91	574,603 48	573,268 88	plus 1,334 60
Other Income	2,685 60	2,649 43	plus 36 17	6,840 88	6,973 46	minus 132 58
Interest on Bonds	71,641 66	71,641 66		429,850 00	429,850 00	
Taxes (estimated)	2,560 95	12,000 00	minus 9,439 05	82,560 95	72,401 05	plus 10,158 90
Surplus	2,808 02	12,331 71	minus 9,523 69	69,033 41	77,991 29	minus 8,957 88

BANK OF HAMILTON

BOARD OF DIRECTORS

HON. WILLIAM GIBSON, President. JOHN PROCTOR. GEORGE RUTHERFORD
HON. JOHN S. HENDRIE. CHARLES C. DALTON. CYRUS A. BIRGE.
J. TURNBULL, Vice-President and General Manager.
H. M. WATSON, Assistant General Manager and Superintendent of Branches.

HEAD OFFICE, HAMILTON, ONT.

CAPITAL, $2,500,000; RESERVE FUND, $2,500,000; TOTAL ASSETS, $32,000,000

LIST OF BRANCHES:

ONTARIO
Atwood
Alton
Ancaster
Beamsville
Berlin
Blyth
Brantford
Brantford, East End
Chesley
Delhi
Dundalk
Dundas
Dunnville
Ethel
Fordwich
Georgetown
Gorrie
Grimsby
Hagersville
HAMILTON—
Head Office
Barton St Branch
East End Branch
West End Branch
Deering Branch
Cor. Barton and Sherman
Jarvis
Listowel
Lucknow
Midland
Milton
Mitchell
Moorefield
New Hamburg
Neustadt
Niagara Falls
Niagara Falls South
Orangeville
Owen Sound
Palmerston
Port Elgin
Port Rowan
Princeton
Ripley
Simcoe
Southampton
Teeswater
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College and Ossington Ave.
Yonge and Gould
Toronto Junction
Wingham
Wroxeter
Milverton
Selkirk

MANITOBA
Bradwardine
Brandon
Carberry
Carman
Elm Creek
Gladstone
Hamiota
Holmfield
Kenton
Killarney
La Riviere
Mather
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Winkler
Winnipeg, Man.
" Grain Exchange Branch

SASKATCHEWAN
Abernethy
Battleford
Caron
Francis
Indian Head
Melfort
Moose Jaw
Mortlach
Saskatoon
Warman
Carievale

BRITISH COLUMBIA
Fernie
Kamloops
Vancouver
" Cedar Cove Branch
Salmon Arm

ALBERTA
Edmonton
Nanton

Correspondents in United States: New York—Fourth National Bank and Hanover National Bank. Boston—International Trust Co. Buffalo—Marine National Bank. Detroit—Old Detroit National Bank. Chicago—Continental National Bank and First National Bank. Kansas City—National Bank of Commerce. Philadelphia—Merchants National Bank. San Francisco—Crocker-Woolworth National Bank. St Louis—Third National Bank

Correspondents in Great Britain: National Provincial Bank of England (Limited).

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CANNINGTON - - "
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MELBOURNE - - - - "
ST. THOMAS - - - - "
WALKERVILLE - - - "
WINNIPEG - - - - - Manitoba

Transacts a general banking business. Interest allowed on Savings Accounts from One Dollar upwards. Drafts issued on all principal points in Canada and United States. Sterling Exchange bought and sold.

JAMES MASON, General Manager

NINTH ANNUAL MEETING

THE EQUITY FIRE INSURANCE COMPANY

Held at the Company's Head Office, 24 King St. West, Toronto,
Wednesday, February 6th, 1907.

DIRECTOR'S REPORT.

Your directors beg to submit their Ninth Annual Report together with a Statement of the financial affairs of the Company for the year 1906.

The operations of the year produced a gross revenue of $372,587.14, including $6,038.83 interest upon investments, making the total balance of Surplus Revenue to be carried into Profit and Loss $67,342.60.

Your Directors after making liberal allowance for depreciation upon furniture, plans, etc., deemed it desirable to declare a dividend of 6 per cent. upon the paid-up capital of the company, payable January 28th; cheques for which were promptly forwarded.

A balance of $12,783.20 is left to be added to the accumulated Reserve Fund, which now stands at $58,597.20.

During the year your Directors purchased additional Bond and Debenture Securities to the extent of $71,544.58, making the investments of that class in all $126,671. These with our other net Assets, and $350,000 of alloted Capital, subject to call, furnishes a total Security to Policyholders of $558,597.20.

The very marked substantial progress and prosperity of the Western part of our Country has directed the attention of your Directorate and Management to the advisability of placing our business there upon such a basis that we will fully participate in the increased business which that field has to offer. With this in view, General Agencies, in addition to the one in Winnipeg, have been established at Regina and Calgary, under the charge of reliable parties possessed of practical experience in fire underwriting.

The business of the Company is fully established and efficiently represented in every Province of Canada.

Your Directors refer with pleasure to their appreciation of the valuable services of the Office Staff, as well as to those of the Inspectors and Agents.

The period for which the Directors were elected now expires. They are eligible for re-election.

THOMAS CRAWFORD, President.
WM. GREENWOOD BROWN, Secretary and Manager.

Revenue Account.

INCOME		EXPENDITURE		
To Accumulated Reserve from 1905	$45,814 00	By Cancellations	$52,022 72	
To Premium Earnings, 1906	366,548 31	By Re-Insurance	$76,724 63	
				128,747 35
To Interest Earned and Accrued	6,038 83	By Commission		43,250 14
		By Taxes and License Fees		4,430 10
		By Postage, Printing, Advertising, Travelling Expenses, Salaries, etc.		39,982.04
		By Fire Losses and Adjustment Expenses		134,648 91
		Balance		**67,342.60**
	$418,401 14			$418,401.14

Balance Sheet.

ASSETS	
Capital Stock liable to Call	$350,000 00
City of Toronto Debentures	56,365 51
Town of Woodbridge Debentures	11,269 12
Portage la Prairie Debentures	5,440 87
Toronto York R.R. Co. Bonds	10,475 00
City of Calgary Debentures	5,100 00
City of Winnipeg Debentures	5,000 00
City of Ottawa Debentures.	5,000 00
Ham. Cataract P.L. & T. Co. Bonds	5,000 00
Montreal L.H. & P. Co. Bonds	10,550 00
Town of Fort William Debentures	10,208 00
Dom. P.L. Co. Stock	2,062 50
Bills Receivable	17,477 22
Sundry Shareholders, balance 20 per cent. Call	3,500 00
Net Prem's in course of Collection	28,142 89
Cash on hand and in Bank	39,418 34
Plans and Furniture	10,951 84
Sundry Assets	2,433 87
	$578,595 16

LIABILITIES	
Capital Stock Subscribed	$500,000 00
Fire Losses unadjusted	11,341 63
Cancellations unpaid	2,322 21
Re-Ins. Prems. unpaid	4,257 95
Reserve on Furniture and Plans, etc.	2,076 17
Accumulated Reserve Fund	58,597 20
	$578,595 16

Reserve on Unearned Premiums per Government Standard $150,372.63.

This is to certify that we have maintained a continuing audit of the books, verified the vouches and examined the securities of The Equity Fire Insurance Company for the year ending December 31st, 1906, and find they have been correctly kept and are truly set forth in the above statement.

(Signed) EDMOND GUNN, CHARLES ARNOLDI. } Auditors.

Toronto, January 26th, 1907.

Number of Risks written during year, 14,171, for $19,688,649 of Insurance. Usual Dividend of 6 per cent. paid to Shareholders.

SECURITY TO POLICY-HOLDERS.

Bonds and Debentures	$126,671 00
Cash in bank and on hand	39,418 54
Net outstanding Premiums and other Assets	42,507 86
Subscribed Capital uncalled	350,000 00
Total	$558,597 20

Directors for year 1907: Thos. Crawford, M.P.P., president; C.C. VanNorman, vice-president; His Honor Judge Morgan, A. F. MacLaren, M.P.; Wm. Hendrie, Stephen Noxon, D. Hibner, W. Vandusen, David Carlyle, H. E. Irwin, K.C.; Wm. Govenlock, W. Greenwood Brown.

WM. GREEN BROWN, General Manager and Secretary.

WATCH LONDON

IS THE ADVICE OF THE POST'S WALL ST. CORRESPONDENT.

The Tragic Death of a Very Well-Known Broker—Bargain Days in Wall Street—The Attitude of London—The Prohibitive Price of Pig Iron—The Poor Sales of N.Y. City Bonds.

New York, Feb. 7.

So many things happen in Wall street every day, nothing comes to pass there that seems capable of fixing the general attention for more than a few hours. Everything there must give place to the next event and as events develop rapidly and have to be absorbed by the individual with more or less personal worry, big happenings are soon forgotten. But the suicide of Mr. Frothingham, the big loan broker, will not so easily pass out of the memory of the average Wall St. man. It touches too many very closely for that. It will make many pause to think. Mr. Frothingham was the best known man on the Exchange. He came into close contact with every one of the members. He represented the biggest and most influential money interests in the street. From the fact that he enjoyed (?) an income of $100,000 a year entirely derived from his commissions on the loans he negotiated, some idea may be had of the extent of his business. He was a member of the Exchange and was frequently seen on the floor of the Exchange, but he seldom put through a trade in stock himself. He was not there to deal in buying and selling stocks, but to loan money for the interests he represented. But he had lately conceived the more or less vain thought that he could beat the market, and he plunged heavily on the long side and the more he plunged the more he lost. This caused his temporary mental unsettlement and led to his death. The folly of this tragic event is shown by the fact that Mr. Frothingham leaves an estate of over $300,000.

Bargain Days in Wall Street.

They come periodically—but like a thief in the night, their coming is not announced and their coming is not known till they have departed. A generally well-defined sign of the bargain day in Wall St. is the advent of a certain well-known class of investors in this city, who may be seen there with open purses, figuratively speaking, freely buying standard stocks at bed-rock prices. They seem to know by intuition when the time comes to make such purchases. They pay "cash on the nail" for all they take and put the securities away till the former value is recovered. This sort of buying happened to a small extent during the past week, but it was not general enough to show that a real old-fashioned bargain day had arrived. One man with the ready money bought 1,200 shares—U.P. at 170, S.P. at 91, Reading at 119, and so on, and some others made similar purchases. Perhaps when Wall St. methods advance a little more progressively we shall have bargain days duly announced—C.P.R. marked down from 200 to 179½, Union Pacific from 195 to 169, Reading from 164 to 119, and all the others according to their respective declines.

When London Buys.

What every trader wants to know is when the time will come to get in on the long side. Perhaps it would pay them to watch London's attitude towards Wall St. London has been mighty bearish on Wall St. stocks since the turn of the year. The financiers in New York have felt this keenly. But London traders have been right and traders on this side of the Atlantic have been somewhat out of line in their predictions. The American press has attacked the London financial papers savagely over their bearish tone adopted toward American securities and have interviewed English financial men to try and prove that the prejudice in confined to the press and is not shared by English money interests. The fact that the London financial papers are right, strengthens their position and the interviews get but cold comfort from the courteous expressions of "complete confidence" in the American financing situation.

Pig Iron.

The price of pig iron has gone to an almost prohibitive price for some manufacturers. There was a slight easing in the price of late, but it was not sufficient to give much relief. The worst of the matter is that the manufacturers can find no substitute. They must have the iron. The price of pig iron has advanced 100 per cent. Manufacturers have not obtained anything like compensating advances in the prices of finished material. A prominent western manufacturer stated to the writer recently that if the situation did not improve in the iron market—improve from a manufacturer's viewpoint. i.e., decline—he would have to close down.

Money Markets.

A feature that calls for attention is the difficulty met with in marketing some 26 million dollars' worth of forty-nine-year New York city bonds, bearing 4 per cent. interest. At the price of 100.50 at which some of the bonds were offered for resale in Wall St., the quotation marks the lowest on record at which New York city bonds have been sold.

Is this another sign of the extravagance of Americans? Are they spending so much money on luxuries now and on other than standard investments, that they have not as much money for investments in bonds as formerly?

The Outlook.

Watch the crop news.

A. J. CANUCK.

The steel rail industry in Canada is not yet fully developed. The Grand Trunk Pacific and Government line will require 8.000 miles of steel in the very near future. The Soo corporation made a new high record for January, turning out 19,285 tons. The Dominion Steel Co., on partial working, produced 76,000.

DEWATERING STOCKS

HOW FAR HAS THE WATER BEEN SQUEEZED OUT OF RAILROAD SECURITIES.

Railroads of America Could Not be Duplicated To-day—For the Amount of Total Capitalization—A Subject With Two Sides—A Hasty Conclusion May be Erroneous—The Effect of Permanent Payment Out of Income.

Newspaper writers who hastily come to the conclusion that no company should issue stock at par when the market price shows a considerable premium manifests a summary judgment that may not be fully justified. It is a question with two sides very strongly developed. As regards railroads in the United States and Canada, while in the beginning or at some reconstruction period. For example, Union Pacific and Grand Trunk in the first case, Erie and Rock Island in the second case, they may have been highly over capitalized it is interesting to reflect how far the growth of the country has not squeezed a good deal of the water out and how far contributions from earnings for improvements and equipment in many of the standard railroad companies are fully equivalent to any "watering" of the capital in whichever form that may be accomplished.

Even with public utilities based on franchises making new issues it is a matter of argument how far a government is justified in passing special or class legislation. A provision that might be a protection of public rights in one case, might be a deprivation of vested rights in another case. If a company has made many permanent expenditures out of income the shareholders are entitled to some return and the customary method of giving privileges on stock.

Speaking on this subject a writer in the N.Y. Times says, that the railroads of the United States could not to-day be duplicated just as they stand for the face value of the outstanding stocks and bonds of railway corporations.

The last full report of the Inter-State Commerce Commission, that for the year ended June 30, 1905, shows that the mileage of the railroads on that date was 218,101 miles. The capitalization of the railroads stood at $13,805,258,121, of which $7,250,701,070 was represented by funded debt and $6,554,557,051 by stock. This is equivalent to a total capitalization of $65,926 per mile. This is not enough, railroad officials claim, to duplicate the railroads as they stand.

This is one way of putting the statement that the railroads of the country are not overcapitalized, but it does not do entire justice to the railroads, for the cost of duplication is not always a fair measure or a road's capitalization. Many of the railroads of the country have been built several times over. Lines are relocated, grades cut down, and in the process much work previously done is rendered useless, yet it was all very properly charged against capital. There is still another consideration which supports the contention that such water as existed in the past has been to a large extent wiped out. The complaints of stockholders, heard year after year, that this or that road was spending too much out of earnings for improvements, are in effect complaints of undercapitalization. There is not a road in the country, that is no important system, upon which money to the extent of many millions has not been spent in this way. This course has been very properly pursued by conservative railroad managements, but under theories which are now being advanced such a course could no longer be followed.

A favorite suggestion of the present day which is severely condemned by all railroad interests is that rates should be cut down to a level at which they would yield just enough surplus above expenses to pay a reasonable income upon the capital invested. This, of course, would make it impossible to pay for any improvements out of earnings, and the only alternative would be to capitalize all improvements. Under such a scheme the capital issues would in a very short time much exceed, in all probability, any amount which could not be shown to represent "water" in the present capitalizations of the railroads.

A very few of the railroads are earning greatly more than a fair return on their capitalization, but if the total return to investors on the railroad securities of the country be taken into consideration, it will be found that the dividends paid represent a very modest percentage.

Statistics on this subject contained in Poor's Manual show that the average dividend rates on the stocks of all the railroads of the country over a series of years have been as follows. The figures for 1906 not being available:

Year	Av. Div. Rate.
1905	3.27
1904	3.31
1903	3.03
1902	2.97
1901	2.65
1900	2.44
1895	1.58
1890	1.82
1885	2.00

These rates can surely not be regarded as excessive. It is the claim of railroad men that they are not more than one-quarter or one-third of the rate of profit to which capitals engaged in any other enterprise feels entitled. It is interesting to note that as late as 1905 no dividends were paid on 37.16 per cent. of the capital stock of the railroads, while the average rate on stocks that were paying dividends was 5.78 per cent.

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BANK CLEARINGS.

For the first time in three weeks the bank clearings at Montreal show an increase over last year. Toronto scores a very considerable advance and clearings from other points indicate continued commercial activity except Halifax where a decrease is noted.

Week Ending Feb. 7.

	1907.	1906.
Montreal	$32,212,234	$31,778,287
Toronto	25,236,749	22,071,086
Ottawa	3,141,623	2,697,616
Winnipeg	....	....
Halifax	1,798,435	2,370,826
St. John	1,316,011	1,158,538
Vancouver	3,042,522	....
Victoria	890,830	....
Hamilton	1,529,680	1,300,308
London	1,391,027	....
Calgary	1,317,481	....
Edmonton	776,359	....

RICH YIELDING CANADIANS.

The London Financier in a recent issue draws attention to Canadian securities that are yielding better than 4½ per cent. The highest return is shown by the old-established Trust and Loan Company shares, on which £3 has been paid. Among the securities are the following:

Company.	Issue	Present dividend rate	Market price	Yield per cent.
Alberta Ry. and Irrigation Co	deb. stock	5	94	5.31
British Columbia Electric Ry.	def. ord.	6	132	4.52
Canadian General Electric Co.	shares	10	130	7.69
Dominion Cotton	deb. stock	4½	88	5.11
Electrical Dev.	bonds	5	85	5.88
Shawingan Water and Power	bonds	5	97	5.15
Trust & Loan Co., £3 paid	shares	5	7	7.14

Gross earnings for forty-two railroads for the third week of January aggregated $9,337,337, as compared with $8,982,678 in the same period of a year ago, an increase of $354,659, or 3.95 per cent. For the month of December sixty-five roads reported gross earnings of $83,796,332, contrasted with $79,327,117 in the corresponding month of a year ago, an increase of $4,469,215, or 5.64 per cent.

Rio de Janeiro Tramway, Light and Power Co'y, Limited.

We have issued a statement giving the latest particulars regarding this Company which we shall be pleased to mail upon request.

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Industrial companies, both in the United States and Canada, are reporting more unfilled orders on hand than ever before. The question of cancellation in event of a "set back" crops up. For example, on Dec. 31st, 1902, the U. S. Steel Company reported 850,000 tons of orders on hand more than in the previous December, and on March 31, 1903, there was a further increase of 63,000 tons. Yet, earnings for the last three quarters of 1903 fell $22,400,000 below the previous year. The N.Y. Evening Post, in commenting on the fact, says that contracts are so tightly drawn nowadays in view of past experience that cancellation is not an easy matter.

SIXTY THOUSAND MEN

WILL BE NEEDED THIS YEAR BY WESTERN CONTRACTORS.

To Complete Work on the Railways Already Undertaken—How the Large Force is to be Divided—The Last Blizzard in the West—The Fuel Situation Ameliorating.

Winnipeg, Feb. 4.—The blizzard which struck the West last week is the worst of the many we have had this winter.

J. P. Robertson, provincial librarian, is of the opinion it was the fiercest the city has experienced since the great one of '79. In that year the temperature descended to 60 degrees below zero over a widely extended area. At Pembina and Edmonton the temperature descended to 60, and here in the city, the thermometer touched 59. The records of the Hudson Bay Compaany as far back at the first quarter of the last century show that nothing ever equalled the famous Christmas week storm of 1879.

Mr. E. A. James, general manager of the Canadian Northern Railway, says, "that the last of the commercial coal for Winnipeg, which was stored in their docks at Port Arthur was shipped out on Saturday. Owing to the terribly hard winter the consumption of coal on our lines has increased 50 per cent.

"Our stocks of fuel are now getting very low and we are all precaution to husband the supply.

"With this end in view we have decided to cut down the schedule of our passenger trains somewhat, and commencing Monday we will run only three trains per week to Edmonton. The service to Virden will also be reduced to three trains per week. Passenger traffic is very light and we have to run two engines on nearly every train. We consider it wise not only in our own interests, but in those of the people of the province, to reduce our passenger service.

Mornville Mines.

"We are building a spur track from Mornville near Edmonton to the Mornville mines, and when this is completed their output will be nearly doubled, which will materially lessen the demand for eastern coal on some of our western lines. Under present conditions we find it practically impossible to move any freight with the exception of needed provisions and fuel.

"To-day a bad storm is raging over our entire system, particularly the western lines, which are thoroughly in its grasp.

"The president is contemplating a trip to Europe and no announcement will be made regarding our extensions."

Contractors Want 60,000 Men.

About 60,000 men will be required for railway work in Western Canada during the coming summer, according to careful estimates made by investigators into the situation .

Where this large force is to be obtained is the question which is giving concern to western contractors. The information that so many workmen will be required and that they will be paid excellent wages, is welcome news to the agents engaged in the work of inducing immigration, and to those who are interested in the growth and progress of the west.

It is anticipated that next season will be the liveliest that has ever been experienced in the city and province.

The men who will be engaged on the railways during the season will be required by companies as follows:

Mackenzie and Mann	10,000
Foley, Larson & Co.	8,000
J. D. McArthur	7,000
Macdonald, MacMillan Co.	3,000
Canadian White Co.	1,500
Canadian Pacific Railway construction department	10,000
Track maintenance, surfacing, ballasting 20,000 or a total of	59,500

Where Men Are Wanted.

The Mackenzie and Mann Company represent the construction department of the Canadian Northern Railway, which will require ten thousand men, at the lowest estimate. The company will be occupied during the summer in the construction of the branch railroad from the city of Edmonton north to Athabasca Landing, a distance of 100 miles; on a line running from Edmonton, westward to the mountains, a distance of 200 miles to the Yellowhead Pass, and on a proposed extension from Brandon to Regina, a distance of about 200 miles.

This 500 miles of railway construction is chiefly through a prairie country, the only rock work being that in the vicinity of the mountains in the line west of Edmonton in the direction of the Yellowhead Pass.

Foley, Lock and Larson will be occupied in the construction of the lines from Fort William to the point of junction with the main line of the National Transcontinental, a distance of 210 miles, and in the construction of the main line of the Grand Trunk Pacific from Saskatoon to Edmonton, 327 miles.

The portion from Fort William westward is entirely rock work and from Saskatoon westward it is entirely prairie.

J. D. McArthur will be occupied in the completion of the Wolseley-Reston branch, and on the National Transcontinental from Winnipeg eastward, a distance of 245 miles.

The Macdonald-Macmillan Company will carry forward the work on their contract from Portage la Prairie to Touchwood Hills, a distance of 275 miles, and will also probably build the line from Winnipeg to Portage la Prairie, 56 miles.

The Canadian White Company will be required to provide men for the completion of their contract from Touchwood Hills to Saskatoon, a distance of 140 miles, on the Grand Trunk Pacific Railway.

On the Canadian Pacific Railway construction, operations will be carried on in various parts of the west. A table of the necessary and desirable extension work was prepared by the engineering department some time ago. Mr. White and Chief Engineer F. J. Busteed, while in the east, presented the proposed plans to the head officials in Montreal and secured the approval of the president for the work.

The completion of many branches, however, by no means comprises all the work to be done. Substantial grade reductions will be made on the Medicine Hat section, also between Field and Hector and on the line from Lethbridge to Macleod.

Gigantic Bridge.

On this latter line the work to be done involves the construction of one of the largest bridges in the world. The structure when completed will be one mile long and 300 feet high, and will cost upwards of one million dollars. It will be built entirely of steel, and will, when completed, represent one of the greatest feats of engineering on the Canadian Pacific lines. The work will be commenced at the very earliest opportunity, arrangements having already been made for the supplying of material and securing of workmen.

A new station will be erected at Port Arthur and a new hotel at Victoria, B.C. Recreation and lodging buildings will be built for engineers and trainmen at Ignace, while a new yard will be laid out and completed at Coleridge.

Double Track.

Greater efforts than ever will be made to hasten the work of double tracking along the main line. Mr. Whyte affirmed, that on the line to Fort William over three-fourths of it would be completed and in perfect readiness for the transportation of next season's wheat and crop. This, he though, would be of immense importance to the country inasmuch as it would remove all danger of any serious tie-up.

Heavy Rails.

On 330 miles of the road the light steel now used will be changed to 80 lb. steel to provide for the heavy traffic over the roads. A large amount of ballasting will also be completed.

On several of the important branch lines which are to be relaid with 80 lb. steel, a considerable number of new side tracks and other betterments of a permanent character will be established in order to bring the roadbed up to first-class standard.

Mr. Whyte also made mention of the great difficulty caused to the railway by the unprecedented heavy weather. It was chiefly due to this fact that it had appeared as if there was a car shortage in the west. As a matter of fact, there was certainly no shortage, as the road was thoroughly equipped with rolling stock. The whole trouble was due in point of fact, to the extreme weather conditions.

Regarding the fuel situation he stated the road was making a supreme effort to avoid a real fuel famine. It was the intention of the company to provide the Soo line with twenty-five empty cars a day with which to transport coal from Duluth to Winnipeg.

In view of this, and the amount of coal which would be brought in over the other lines, he did not anticipate the serious difficulties which the public had been led to believe were emminent.

WHY THE PUBLIC STAY OUT.

"If the buyers don't flock in such numbers to Wall Street pastures as they used to do, it is entirely due to the bad odor that emanates from those quarters. The life insurance and railroad revelations have left a bad smell that scares even the lambs away. Never before, in a time of great prosperity, has there been such widespread dissatisfaction with the methods and policies of the financial leaders. There is ample justification for the public's refusal to invest its money in the securities of corporations whose managements decline to take their stockholders into their confidence and who use the money in their treasuries and the knowledge which comes to them officially for stock-jobbing purposes."—Financial World.

NOTABLE DATES IN STOCKS.

The Montreal Star produces the following from a financial diary:

1868—November—Erie stock cornered.
1869—Sept. 24th—Culmination of the corner in gold on Black Friday.
1871—Rock Island cornered.
1872—Jay Gould cornered Northwestern; jumped from 83 to 230.
1882—Dec.—Municipal Bank of Russia failed, with liabilities at $60,000,000.
1884—Delaware & Lackawanna cornered.
1890—Nov.—Baring Bros., of London, failed.
1898—Collapse of Joe Leiter's famous corner in wheat at a loss of $8,000,000.
1888—Sept.—"Old Hutch" cornered wheat, which sold at 89¾ to $2 a bushel.
1895—Venezuela panic—Cleveland's famous message to Congress.
1901—May 9.—The greatest corner on record; Northern Pacific jumped from 170 to $1,000.
brought up to a striking position it

Mr. Reginald Pellatt has been admitted to the firm of Messrs. Pellatt & Pellatt, stockbrokers of Toronto, who during this week moved into their new offices in the Traders' Bank building.

National Trust Company Limited

ANNUAL MEETING OF SHAREHOLDERS

The Ninth Annual General Meeting of the Shareholders of the NATIONAL TRUST COMPANY, LIMITED, was held in the Company's Board Room, 20 King street east, Toronto, on Wednesday, the sixth day of February, 1907.

The President, Mr. J. W. Flavelle, was in the Chair, and Mr. W. T. White, the General Manager, acted as Secretary to the meeting.

The Secretary read the Ninth Annual Report of the Directors, and the Financial Statement, which is as follows:—

The Directors have pleasure in submitting herewith their Ninth Annual Report, showing Statement of the Assets and Liabilities of the Company as at 31st December, 1906, together with the Profit and Loss Account for the year ending on that date.

The Net Profits, after providing for all cost of Management, Salaries, Advertising, Auditors' Fees, and other expenses, amount to $122,442.44. The sum of $7,243.80 brought forward from 1905 makes the total at credit of Profit and Loss Account $129,686.24, which has been appropriated as follows:

(a) To pay four quarterly dividends at the rate of seven per cent. per annum, amounting to $70,000.00.
(b) To increase Reserve Fund $50,000.00.
(c) To carry forward in Profit and Loss Account $9686.24.

The Reserve Fund now stands at $450,000.00.

Respectfully submitted,
J. W. FLAVELLE,
President.

FIANANCIAL STATEMENT

DECEMBER 31st, 1906.

ASSETS.

CAPITAL ACCOUNT:			
Real Estate Mortgages		$351,233 17	
Bonds, Stocks and Debentures		458,765 94	
Real Estate, Company's Buildings and Safe Deposit Vaults in Toronto, Montreal, Winnipeg, Edmonton, and Saskatoon		421,501 09	
Loans on Collateral Security of Bonds and Stocks		216,666 26	
Cash on Hand and in Bank		62,763 24	
			$1,510,929 70
GUARANTEED TRUST ACCOUNT:			
Real Estate Mortgages		$2,905,519 67	
Loans on Collateral Security of Bonds and Stock		1,488,436 76	
Bonds and Debentures		338,869 00	
Cash on Hand and in Bank		172,703 92	
			$4,905,529 35
ESTATES, TRUST AND AGENCY INVESTMENTS:			
Under Administration by the Company			5,872,598 68
			$12,289,057 73

LIABILITES.

CAPITAL STOCK:			
Capital Stock		$1,000,000 00	
Reserve Fund at credit December 31st, 1905	$400,000 00		
Transferred from Profit and Loss	50,000 00		
		450,000 00	
Mortgage Loans in process of completion		33,743 46	
Dividend No. 28, due Jan. 2nd, 1907		17,500 00	
Profit and Loss		9,686 24	
			$1,510,929 70
GUARANTEED TRUST ACCOUNT:			
Guaranteed Trust Funds for investment		$4,305,768 95	
Trust Deposits		599,760 40	
			$4,905,529 35
ESTATES, TRUSTS AND AGENCIES:			
Under administration by the Company			$5,872,598 68
			$12,289,057 73

PROFIT AND LOSS ACCOUNT.

For year ending 31st December, 1906.

Balance 31st December, 1905	$ 7,243 80
Net Profits for the year after deducting cost of Management, Directors' and Auditors' Fees, Salaries, Advertising, etc.	122,442 44
	$129,686 24
APPROPRIATED AS FOLLOWS:	
Quarterly Dividends, Nos. 25, 26, 27, and 28, at the rate of 7 per cent. per annum	$ 70,000 00
Transferred to Reserve Fund	50,000 00
Balance Carried Forward	9,686 24
	$129,686 24
RESERVE FUND:	
Balance at Credit 31st Dec., 1905	$ 400,000 00
Transferred from Profit and Loss	50,000 00
	$450,000 00

W. T. WHITE,
General Manager.

The following were elected Directors of the Company for the ensuing year:

PRESIDENT.

J. W. FLAVELLE, Managing Director The Wm. Davies Company, Limited, Director Canadian Bank of Commerce.

VICE-PRESIDENTS.

Z. A. LASH, K.C., of Messrs. Blake, Lash & Cassels, Barristers.
E. R. WOOD, Vice-President and Managing Director Central Canada Loan & Savings Company; Director Grand Trunk Pacific Railway.

HON. MR. JUSTICE BRITTON.
HON. GEO A. COX, Senator, President Canada Life Assurance Co.
GEO. H .WATSON, K.C., of Messrs. Watson, Smoke & Smith, Barristers.
CHESTER D. MASSEY, Hon. President Massey-Harris Company, Limited.
ELIAS ROGERS, Director Imperial Bank of Canada.
ROBERT KILGOUR, Vice-President Canadian Bank of Commerce.
CAWTHRA MULOCK, Director Imperial Bank of Canada.
JAMES CRATHERN, Montreal, Director Canadian Bank of Commerce.
H. S. HOLT, President Montreal Light, Heat & Power Company; Director Royal Bank of Canada.
H. MARKLAND MOLSON, Montreal, Director Molsons Bank.
ALEX. BRUCE, K.C., Hamilton, of Messrs. Bruce, Bruce & Counsell, Barristers.
E. W. COX, General Manager Canada Life Assurance Company.
H. H. FUDGER, President The Robert Simpson Co., Limited; President The Goldsmith's Stock Company.
H. B. WALKER, Agent Canadian Bank of Commerce at New York.
A. E. KEMP, President Kemp Manufacturing Company.
WILLIAM MACKENIE, President Canadian Northern Railway Company; President Toronto Railway Company.
ALEXANDER LAIRD, General Manager Canadian Bank of Commerce.
J. H. PLUMMER, President Dominion Iron and Steel Company.
W. T. WHITE, General Manager National Trust Company, Limited.

ADVISORY BOARD—WINNIPEG.

I. M. ROSS, Winnipeg, Man.
HON. F. W. G. HAULTAIN, Regina, Sask.
HON. J. D. CAMERON, Winnipeg, Man.
A. McT. CAMPBELL, Winnipeg, Man.

WINNIPEG PAYS HIGH INTEREST.

According to the daily press Winnipeg is paying the Bank of Scotland eight per cent. for the loan of $1,500,000, which it secured from it through the Bank of Commerce. This astonishing fact, which very few of the aldermen were aware of, came out at the secret meeting of the Winnipeg city council to discuss the finances of the municipality.

Although no definite announcement was made as to what rate was paid, yet it was understood that it was 5½ per cent. The Bank of Commerce sold to the Bank of Scotland their treasury notes, while for security the Bank of Commerce was given $1.500,000 of the city's unsold debentures.

To redeem these treasury notes the city has to pay a premium, and it came out at this meeting that this premium will make the rate of interest to the city at least 7.8 per cent.

C.P.R. COMPARED

WITH OTHER REPRESENTATIVE GRANGER ROADS.

A Complete Comparative Analysis—Of Operation and Efficiency—The Canadian Road Shows Up Well—Its Comparatively Low Rates—U. P. Scores by Reason of Its High Rates—Great Northern's Ecffiiency — C. B. & Q.'s Big Traffic.

Much has been said about the relative merits, both as regards earning power and operating ability of the great aggregation of railroads known as "The Grangers." The Wall Street Journal has prepared a comparative analysis. It is also of interest to Canadian and English holders of C.P.R., which is included in the list.

Chicago and Northwestern, on account of its lack of fluctuations, is taken as the unit of comparison. The following table shows the average miles of road operated, the gross earnings, the operating expenses, excluding taxes, and the net earnings:

Name of Railway.	Av. Miles of Road op.	Gross Earnings.	Operat. Exp. (Excl. tax)	Net Earnings.
Chi. & N.W.	7,428.77	$63,481,577	$39,789,099	$23,692,478
or	100 p.c.	100 p.c.	100 p.c.	100 p.c.
St. Paul	6,961.27	55,423,052	32,489,513	22,933,539
or	94 p.c.	87 p.c.	82 p.c.	97 p.c.
C. B. & Q.	8,896.00	74,146,670	51,463,641	22,683,028
or	120 p.c.	117 p.c.	129 p.c.	96 p.c.
Union Pacific	5,403.00	67,281,542	35,261,170	32,020,371
or	73 p.c.	105 p.c.	88 p.c.	135 p.c.
C., R. I. & Pac.	7,218.07	51,237,858	35,067,058	16,170,799
or	97 p.c.	81 p.c.	88 p.c.	68 p.c.
C. P. R.	8,766.90	61,669,758	38,696,445	22,973,312
or	118 p.c.	97 p.c.	97 p.c.	97 p.c.
Atchison	8,433.99	78,044,347	48,497,518	29,546,828
or	114 p.c.	123 p.c.	122 p.c.	124 p.c.
Great Northern	5.906.39	51,276,280	25,852,922	25,423,357
or	80 p.c.	81 p.c.	64 p.c.	107 p.c.
Northern Pacific	5,401.14	61,223,475	31,095,432	30,128,043
or	73 p.c.	96 p.c.	78 p.c.	127 p.c.

These figures are clear to all who can read, and from them any two roads may be compared. Thus: The Atchison with 114 per cent. of the mileage of the Northwestern has 123 per cent. of the gross earnings and 124 per cent. of the net earnings; in the same way the Great Northern, having but 80 per cent. of the gross earnings, considerably less than the Atchison, has 107 per cent. of the net earnings; and in the same way the Northern Pacific, with but 96 per cent. of the gross earnings, has 127 per cent. of the net earnings, which is a greater proportion of the net earnings than 124 per cent. held by Atchison, although Atchison has 123 per cent. of gross earnings, compared with only 96 per cent. for the Northern Pacific. In the same way the St. Paul has only 87 per cent. of the gross earnings as compared with 97 per cent. for the Canadian Pacific, yet the St. Paul has 97 per cent. of the net earnings, which is just the same amount as the Canadian Pacific.

The tabulation below shows the amount of freight in ton miles which each of these roads handles, and the amount of energy which each uses in its work:

For instance: The Canadian Pacific hauling over five billion of tons of freight one mile, which is considerably more than that hauled by the Great Northern, uses 95 per cent. of trains one mile, as compared with but 47 per cent. for the Great Northern. In other words, the Great Northern does almost the same amount of work done by the Canadian Pacific with but half the effort. In the same way the strength of the Union Pacific in this respect appears. The Union Pacific, with 103 per cent. of the tons one mile hauled by the Northwestern uses but 65 per cent. of the trains one mile. In the same way the Great Northern, hauling 95 per cent. of the tons one mile, as against 103 per cent. for the Union Pacific, uses but 47 per cent. of the trains one mile, as against 65 per cent. for the Union Pacific. Comparing Great Northern with the Northwestern it appears that it hauls almost as many tons one mile, yet with but half as many trains one mile.

Name of Railway.	Tons 1 mile Revenue Freight	Tons 1 mile per mile of road	Mileage, Freight & Mixed Tr.
Chi. & Northwestern	5,156,074,115	694,068	19,634,933
or	100 p.c.	100 p.c.	100 p.c.
Chi., Mil. & St. Paul	4,663,808,007	669,965	16,542,820
or	90 p.c.	97 p.c.	84 p.c.
Chi., Burlington & Q.	6,347,902,891	713,568	17,394,484
or	123 p.c.	102 p.c.	89 p.c.
Union Pacific	5,353,374,071	1,203,174	12,755,053
or	103 p.c.	171 p.c.	65 p.c.
Chi., Rock Island & P.	3,715,621,556	514,766	15,154,367
or	72 p.c.	74 p.c.	77 p.c.
Canadian Pacific	5,190,951,172	597,306	18,599,735
or	100 p.c.	86 p.c.	95 p.c.
Atchison, Top. & S. F.	5,841,420,730	692,604	19,646,600
or	113 p.c.	100 p.c.	100 p.c.
Great Northern	4,933,530,997	835,287	9,308,753
or	95 p.c.	120 p.c.	47 p.c.
Northern Pacific	5,245,260,080	971,139	13,097,617
or	101 p.c.	140 p.c.	67 p.c.

The following table shows gross earnings per mile of each road, their operating expenses, and the net earnings per mile of each road:

Name of railway.	Gr. earn. per mi. rd.	Op. ex. per mi. rd.	Net earn. per mi. rd.
N'western	$8,545	$5,356	$3,189
or	100 p.c.	100 p.c.	100 p.c.
St. Paul	7,961	4,667	3,294
or	93 p.c.	87 p.c.	103 p.c.
C. B. & Q.	8,334	5,785	2,549
or	98 p.c.	108 p.c.	80 p.c.
Un. Pacific	12,376	6,445	5,932
or	144 p.c.	122 p.c.	186 p.c.
Rock Is.	7,098	4,858	2,240
or	83 p.c.	91 p.c.	70 p.c.
C. P. R.	6,947	4,408	2,538
or	81 p.c.	82 p.c.	80 p.c.
Atchison	9,253	5,750	3,503
or	108 p.c.	107 p.c.	110 p.c.
G. Northern	8,681	4,377	4,304
or	102 p.c.	82 p.c.	135 p.c.
N. Pacific	11,335	5.757	5,578
or	133 p.c.	107 p.c.	175 p.c.

The Union Pacific has 144 per cent. of the gross earnings, as compared with 133 per cent. for the Northern Pacific, although these two roads haul about the same number of ton miles, Union Pacific's ton mileage being slightly greater than the Northern Pacific's. Of course the relatively larger gross per mile of the Union Pacific is owing to its higher rate, as is hereinafter shown.

The following table shows the average revenue per freight train mile on all the roads, and the average revenue per ton mile:

Name of railway	Av. rev. per f t tr ml.	Av rev. per ton per ml.
Northwestern	$2.34	.89c.
or	100 p.c.	100 p.c.
St. Paul	2.43	.862c.
or	104 p.c.	97 p.c.
C. B. & Q.	2.94	.81c.
or	126 p.c.	91 p.c.
Union Pacific	3.84	.915c.
or	164 p.c.	103 p.c.
Rock Island	2.29	.93c.
or	98 p.c.	104 p.c.
C. P. R.	2.07	.74c.
or	88 p.c.	83 p.c.
Atchison	2.78	.934c.
or	119 p.c.	105 p.c.
Great Northern	4.25	.791c.
or	182 p.c.	89 p.c.
Northern Pacific	3.36	.828c.
or	144 p.c.	93 p.c.

It appears that the Great Northern, of all the American roads, has the lowest average rate of all the roads, and at the same time its revenue per train mile appears to be the greatest. Next comes the Burlington, Northern Pacific, and Canadian Pacific in the order named, as regards rates, the average rate of the three Hill lines being lowest. The average revenue of the Atchison per ton mile runs the highest, with Union Pacific next.

NORTH AMERICAN LIFE.

Reports the Best Year from a Financial Standpoint in its Annals.

In spite of the conditions prevailing in the life insurance business during the year, the North American Life Assurance Company directorate reports that from the financial standpoint the year's results were the best in the company's history, and a handsome addition was made to the net surplus, which now amounts to $650,209. This result was accomplished largely by the saving in expenses being five per cent. on the premium income and in amount $48,996 less than the previous year's outgo. The assets increased during the year by the handsome sum of $831,050 and now reach the total of $7,799,064.

The report announces the retirement from the first vice-presidency of Hon. Chief Justice Sir William Meredith, who is inhibited from continuing on the board owing to last year's act of the Dominion Parliament in regard to judges acting on boards of commercial companies.

The London settlement last week passed off without any of the prophesied disasters and contango rates were reduced greatly. Hudson's Bays and C. P. R. on Thursday were buoyant for a time, largely on account of the relief. On Friday morning Bays sold in London at 110, but later in the day went back to 108½.

INVESTMENT YIELD.

Leading Securities in Montreal Now Show a High Rate.

The investment returns in Canadian stocks at present prices are attractive. The Montreal brokers who incline to the opinion that quotations have about reached the bottom have some ground for the conclusion:

	Price.	Div.	Yield
Canadian Pacific	181	6	3.31
Minn., St. Paul and Soo com.	108	4	3.70
Montreal Street Ry. xd.	214	10	4.67
Toronto Ry.	110	6	5.45
Twin City	103	5	4.85
Detroit Ry. xd.	76	5	6.58
Halifax Ry.	95	6	6.32
Power xd.	86	5	5.81
Toledo Ry.	27	2	7.41
Mackay com.	71	4	5.63
do pfd.	69	4	5.80
Illinois pfd.	90	6	6.67
Laurentide com. xd.	93	6	6.45
do pfd.	100	7	7.00
Dom. Coal pfd. xd.	115	7	6.08
Lake of Woods pref.	108	7	6.48
Ogilvies pfd.	123	7	5.69
Montreal Cotton	126	7	5.56
Dominion Textile pref	97	7	7.22
N.S. Steel pfd.	118	8	6.78
Montreal Telegraph	160	8	5.00
Bell Telephone	135	8	5.93
Can. Converters	62	4	6.45
Richelieu and Ontario	79	5	6.33
Bank of Montreal	256	10	3.90
Merchants Bank	168	8	4.76
Bank of Commerce	178	8	4.49

THE
ROYAL BANK
OF CANADA

INCORPORATED 1869

Capital paid up - - $3,800,000
Reserve Fund - - $4,300,000
Total Assets - - $43,000,000

HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager

Seventy-five Branches in Canada
Eight Agencies in Cuba
St. John's, Newfoundland
New York City

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS
SAVINGS DEPARTMENTS AT ALL BRANCHES
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(MEMBERS TORONTO EXCHANGE)

BANKERS & BROKERS

Bonds and Investment Securities
a Speciality

McKinnon Bldg. Toronto

THE CROWN BANK
OF CANADA

Head Office - - 34 King Street West, Toronto
AUTHORIZED CAPITAL - - - - - - - $2,000,000

DIRECTORS:

Edward Gurney, Esquire, - - President
Charles Magee, Esquire, - - Vice-President
Charles Adams, Esquire. Colonel J. H. Burland.
John L. Coffee, Esquire. R. Y. Ellis, Esquire.
John M. Gill, Esquire. Edward Tilden, Esquire.
John White, Esquire
G. de C. O'Grady, - - - General Manager

INVESTMENT BONDS
To Yield 3¾%—6%
Royal Securities Corporation, Limited
179 St. James Street, MONTREAL A. J. NESBITT, Manager

THE LAWSON STORY

THE AMAZING MAZE AROUND A RICH MINE.

An Opulent Property Tied Up for Two Years—How Crawford Treated His Comrades—Lawson's Rich Find—The Case Now Before the Supreme Court.

(The Lawson mining case comes before the Supreme Court this month. The appeal book is a large volume several inches thick. The Post's Cobalt correspondent was in the vicinity during much of the litigation and had personal knowledge of many details. It was intended to describe the case from an analysis of the legal material, but "Consulting Engineer," in his own style, has probably made the essential features plainer or at least more interesting to the general reader than any legal writer might have done.)

Though there are three properties in Cobalt camp which have claimed to be "The Lawson," there is but one "Lawson." The story of the discovery of this celebrated property and its history up to the present time, reads like one of the romances of the Comstock lode. It shows how a slip of the pen may mean the loss of a fortune. As there is an appeal to be heard by the Supreme Court of Canada, we can only give the facts as they have been found up to the present time.

On Saturday, Sept. 10th, 1904, Murdock McLeod, Donald Crawford, and Thomas Crawford, all of whom lived at New Liskeard, arranged to go prospecting for minerals. Each was to pay his share of expenses and give his time, and all were to profit equally in any discoveries made. However, Thomas Crawford could not manage to go with them, so paid an extra amount of expenses in lieu of his services, still retaining an equal interest in the expedition. On the trail the two prospectors fell in with one John McLeod, who arranged to join their party, provided they would allow him to share in any finds made. On the 16th, Murdock McLeod made a discovery on what is now the famous Lawson mine, which he staked in his own name. The party then returned to tell Thomas of the find, and also the fact that John McLeod had been promised an interest. It was finally arranged by all four parties that they were to share equally in the location, and that a lease should be obtained in the name of Thomas Crawford. This was done, and the discovery post changed accordingly, the name of Crawford being substituted for that of Murdock McLeod. They then appear to have sat down and waited for some "tenderfoot" to come and take it off their hands, of course, for a consideration.

Enter Lawson.

Early in June, 1905, Herbert Lawson was camped near Siroux Lake and prospecting for minerals. Mr. Lawson is a mining engineer, graduate of Cambourne School of Mines, but as he had not advertised the fact by hanging up his card in any of the hotels, they knew him not. Though he neglected this important act, he has had a wide experience in mining, and is known as a man of high principles in most of the mining centres of the world. On June 7th he made a discovery of valuable minerals and proceeded to stake out a claim. In doing so he came upon the post bearing the name of Thomas Crawford, and upon consulting his map, found that a lease had been issued for the ground. The next day at the land agent's office in Haileybury he found that the lease had been granted to Thomas Crawford, of New Liskeard. Without a moment's delay he hurried off to New Liskeard to find Thomas.

The "tenderfoot Englishman" had come, after all the weary months of waiting, and he was actually willing to pay Thomas real money for the privilege of prospecting and working his property. Thomas did not tell Lawson that there were others interested with him in the property, nor did Lawson tell Thomas of the discovery he had made the previous day. By the agreement Lawson was to pay Thomas $200 in cash, and a one-quarter share of any ore taken from the property up to 31st August, 1905. If Lawson made a discovery of valuable ore on the property between 8th June and 31st August, he was to have a new agreement entered into on the same terms for as long a time as he desired to work the property. There is no doubt that Lawson thought he could, by renewing the agreement, work the property for as long a period as he found it remunerative to do so. Lawson paid the $200, registered his agreement or a caution, in the land titles office, and started to work the property. The other parties, except John McLeod, who was not invited, celebrated the occasion, and all appeared happy. The following day one Glendenning, informed them that the Englishman had made a big find on the 7th.

The Fight Starts.

Donald Crawford and Murdock McLeod repudiated the agreement, have a caution filed, and start proceedings against Lawson. Thomas also tries to shut out John McLeod from receiving a quarter interest in the proceeds from any dealings in the property. Lawson goes on developing the property, and gets out a small carload of ore. This shipment showed the ore to be of the highest grade and returned in the neighborhood of $2,600 per ton. The number of tons shipped is said to be represented by the mystic "23." Injunctions are got out restraining Lawson from receiving the proceeds of the shipment and the field of battle widens. It required money to carry on a legal contest which seemed likely to reach the Privy Council, the stakes were large and first one and then another of the parties engaged, found a capitalist only too ready to supply the sinews of war—of course for a consideration.

Lawson sold his interests out during the litigation, and is said to have received $30,000 as full payment. Thomas Crawford's interest was acquired, (in part at least) by a Toronto lawyer who does not practice any more, John McMartin, president of La Rose Mining Co., Ltd., acquired other interests. In brief the Court of Appeal has decided that: 1st, John McLeod, Murdock McLeod, Thomas Crawford and Donald Crawford are each entitled to one-quarter interest in the mine. 2nd, That all Lawson acquired by his agreement was the right to mine and ship ore under the terms up to and including 31st August, 1905. 3rd, That he did not have even the exclusive right to do that.

There is no doubt in the writer's mind as to what Lawson thought he was acquiring. Had he but made the agreement operative for such a time as he desired to carry on active mining operations, he would be able to mine on a 25 per cent. loyalty one of the richest mines in Cobalt camp. Up to the present time only one of the litigants has been legally declared a lunatic; but the case promises to last for a long time still. As to the mine itself, it has an excellent surface showing. There are several veins exposed, and the ore is very rich. One of the veins has been sunk upon for about 40 feet, and considerable high-grade ore developed. In places the vein shows from 12 to 14 inches of ore which will average over $1,500 per ton in silver values. one of the best and most conservative engineers in the country has made a careful examination and valuation of the mine. In his report he states that he has satisfied himself that, allowing no greater depth than 30 feet, there is to-day available for mining over $600,000 worth of ore, after paying all expenses.

CONSULTING ENGINEER.

WINNIPEG BONDS.

Prices Received for Issues of the Previous Four Years.

In view of Winnipeg:s present extensive offering of bonds the prices received in the past four years for that city's issues are of interest:

Previous sales made by the city within the last few years, are as follows:

1901-02.		
Thirty years, 4's	$202,000	$96.00
Thirty-five years, 3½'s	208,000	88.48
Fifteen years, 3½'s	17,000	88.48
Thirty years, 3½'s	25,000	88.48
Thirty years, 4's	104,174	98.25
Thirty years, 3½'s	15,000	88.48
Miscellaneous 4's	84,365	98.10
" 4's	834,481	98.25
1902.		
Seven years, 4's	$ 71,420	
Ten years, 4's	39,599	
Fifteen years, 4's	104,829	
Twenty years, 4's	181,751	
Thirty years, 4's	178,700	$98.66
	$576,301	
1903-4.		
Twenty years, 4's	$120,000	100.00
Twenty years, 4's	5,000	99.75
Thirty years, 4's	25,000	99.12
Seven to thirty years, 4's	524,960	97.00
1904.		
Seven to thirty years, 4's	$1,204,031	$99.52

THE WALL STREET JOURNAL
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THE OTHER SIDE OF THE CASE

CORPORATION VS. MUNICIPAL RIGHTS.

Public and Private Operation—The Sale of Rights to Public Utilities—Where Competition Comes in—The Case is Similar to Any Other Business—A Company has a Right to Every Profit—The Question of Risk—A Lucid Article on a Timely Topic.

Of all the current discussion about the relations of capital and the community much seems to me unavailing because it is not based on a little plain consideration of the principles underlying the facts, such principles, if I grasp them rightly, are neither many nor complex. Though a multipilcity of facts, confusingly intricate may obscure the situation, it seems to me that when the clue appears it does not lead through an unusually involved course of reasoning. At any rate the ideas I have of it are so simple I hesitate somewhat to express them. Whether they are correct I must leave to the reader.

A great deal is said about public service franchises. "Municipal ownership" and like phrases slip glidly from the tongue. Latterly some people have seen that it possible to distinguish between municipal ownership and municipal operation. Electric light and electric power, telephone and telegraph, street and steam railways and more come in for discussion.

Since it is easier to think of one thing at a time let us take the street railways.

Streets belong to the city and the city, it is said, should own the street railways and run them for the good of the public.

It is supposed that it would cost the cities less to run them than it costs a private corporation? That is not generally said. But people say that the private corporations running the street railways make unjust profits at the expense of the public.

Can that be substantiated? How great does a profit have to be before it becomes unjust? If a manufacturer of clothing or a storekeeper makes 5, 10, 15, 20, or even 30 per cent. people generaly do not say he makes an unjust profit, or preys upon the public. He is successful to such a degree, more likely they say that he is a shrewd business man and to commend his enterprise.

True, some declare that all such private profits are unjust. They term themselves socialists, and say the State should, in some form or other, carry on all the work of the community. Most of those, however, who say that the city should own the street railways, do not believe that the city or the State in any form, should manufacture or deal in clothing. Yet, street railways are hardly more a public necessity than clothing and groceries.

Oh, but, it is said, the street railway is a monopoly; people have no choice; they must pay five cents, or whatever the fare may be, they must ride in a crowded car or they must walk. If people don't like price or quality of clothing Mr. Brown sells, they can buy of Mr. Jones, and if either Mr. B. or Mr. J. makes 30 per cent. profit they do not extort it. In short, there is competition. It is true that the people of Toronto, for example, must ride in the cars of the Toronto Street Railway Company, or they must ride in a carriage or an automobile, or must walk. The means of most people really limits the choice to street railway and sidewalk. And it is heartless to say, "Walk if you don't like the cars." Many people under the conditions really can't walk. Still it is true, also, that many street railways have found the competition of the pedrestrian very real and much to their profit have met competition by lowering fares or improving service.

Even aside from the man who pounds the pavements I must contend that competition does exist in the case of street railways, and the competition does not differ in quality, though it may in degree, from the competition between Mr. Brown and Mr. Jones in the clothing business.

Not many years ago very many people still believed that the competition of two or more street railway companies in a city benefited the public just like any other competition. People do not generally think that now, but regard competing street railways as a form of misery even more nearly intolerable than a monopolistic private company. So I need not undertake here any consideration of the natural monopoly inherent in a street railway, whether owned by the city or by a private corporation—that is now a school question.

Someone may derisively ask: "If a street railway has a monopoly where does the competition come in?"

Say ten years ago, or whenever it was, the present street railway company at any city came into being, the city had the franchise of running cars on a track through the streets at its disposal. At that time the city could say that no cars should run on the streets, or that the city itself would own and run the street railway, or that it would allow some private person or corporation the right to do so.

The city had something to sell. Just what it would sell lay entirely at its discretion. It could sell a right forever, for 99 years, for 30, for 20; might attach any conditions. It could stipulate that anyone buying the right should assume the obligation of running a special car for every citizen.

What determined the price the city secured? Just what determines price in any case where a particular thing is for sale—demand; the demand for the particular right the city had to sell. The right was open to the competition of all the capital in the world. It represented a possible opportunity to make money. There were other opportunities in the world to make money at that time, and what determined the price of the franchise and its terms, was no way different in kind from what determines the price of the clothing Mr. Brown and Mr. Jones have to sell.

At any rate the company now owning the street railway made a contract with the city whereby the city gave certain rights and the company agreed to make certain payments and to do various other things.

Citizen protests! The bargain was villainous! The city did not get anywhere near what the franchise was worth; did not impose sufficient conditions; and the company robs the citizens!

If the contract was a bad bargain, if the city officers were not good enough business men to make a proper contract with the shrewd capitalists, is that any reason why the cities should run the street railways? Is it not rather a reason for electing more capable city officers? If they could not make a single advantageous contract over a franchise is it reasonable to suppose they have the ability to run continuously a large business enterprise such as a street railway. In a manner to give the citizens their money's worth of service?

But—some good citizen objects—no one could imagine then the right was so valuable. The city has grown beyond all expectations. If Smith sold Robinson a pasture and both thought it had no value except for sheep to graze on, would anyone say that if ten years later Robinson discovered a silver mine in the pasture that Smith was in any way aggrieved.

To say that when a city is concerned contracts are binding only so long as they are more to the advantage of the city that the contracting company is to declare that the community may prey on the individual.

If a man buys one of the corners of King and Yonge Sts., and the city grows beyond expectation, is the seller injured because the buyer gets a better bargain than he thought. Some say the community is injured, apply to the buyer's profits the term "unearned increment" and advocate Single Tax. Yet anyone could have bought the property at the time, and, for a price, at any subsequent time. Why didn't someone else buy it? Because he was unwilling to assume the risk. The assumption and risk plays a more important part than commonly believed in such profits as resulted from the enterprise.

So the capitalists who buy a street railway franchise from a city take the risk that the enterprise may not pay. Electric railways have been known not to pay. Some have become bankrupt; just as many steam railways have.

Are you a betting man? Money talks! Are you, or have you been at any time ready to risk $100, more or less on your belief that the street railway has a "good thing?" A hundred dollars, or thereabouts, will enable you to participate in profits present and prospective. A laboring man or a clerk of steady employment can save as much as that. The street railway company is always "on the market" for sale. The men who own the stock own the street railway, and at any time you can own as much as your means will permit. If you own some stock you have a right to enquire about the way the company is managed. Try it and see if you think the profits exorbitant.

W. H. LYON.

BANK OF
NOVA SCOTIA

INCORPORATED 1832

Capital - - - - $3,000,000
Reserve Fund - - - - $5,250,000

Head Office: HALIFAX, N.S.
General Manager's Office: TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over.
Interest added four times a year

FOR THE INFORMATION OF DEPOSITORS

This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditors

ESTABLISHED 1873

THE STANDARD BANK
OF CANADA

DIVIDEND No. 65

Notice is hereby given that a dividend at the rate of **Twelve per cent.** per annum upon the Capital Stock of this Institution has been declared for the **quarter** ending 28th February next, and the same will be payable at the Banking House in this city on and after **Friday, the 1st day of March next.**

The Transfer Books will be closed from the 18th to the 28th February, both days inclusive.

By order of the Board,
G. P. SCHOLFIELD, *Gen. Mgr.*

Toronto, 23rd January, 1907.

THE BANK OF OTTAWA

Head Office: Ottawa, Ont.

Capital, - - - - - - $3,000,000
Rest and Undivided Profits, - - 3,236,513

Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.

GEORGE BURN, General Manager

BANK OF MONTREAL

Notice is hereby given that a dividend of two and one-half per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, and that the same will be payable at its banking houses in this city, and at its branches, on and after Friday, the first day of March next, to Shareholders of record of 13th February.

By order of the Board,
E. S. CLOUSTON,
General Manager.

Montreal, 15th January, 1907.

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Range for year 1905		Range for year 1906				Friday, February 8.		STOCK	Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve	Last Dividend		Range for week ending Feb. 7, in market of activity				Closing one year ago February 8		Sales week ending February 7
High	Low.	High	Date	Low	Date	Ask	Bid							Date	Per cent.	First	High	Low	Last	Ask	Bid	
								BANKS														
170½	155½	190½	Oct.	169½	Jan.		175	Commerce	50	10,000,000			5,000,000	1st Dec. s.-a. and bonus	3½ 1	°176	°178	°175	178	....	178½	300
270	248	283	Jan.	262½	*Dec.	267		Dominion	50	3,000,000			3,900,000	1st Jan. q.	3	°266	265	265	265	....	278	83
219	213	233	May	210	Dec.	217		Hamilton	100	2,470,120			2,470,120	1st Dec. q.	2½	216½	216	215	215	229½	228¾	38
242	226	254½	May	225	Dec.		222	Imperial	100	4,778,700			4,584,375	1st Feb. q.	2½	224	224	224	224	....	245¾	31
172½	160	176	Oct.	160½	Jan.	169	168	Merchants	100	6,000,000			3,600,000	1st Dec. q.	2	168¾	168¾	168	168	168	166	4
		202⅛	Mar.	192	Dec.		192	Metropolitan	100	1,000,000			1,000,000	1st Jan. q.	2	192	192	192	192	....	....	5
230	220	230	Mar.	204½	†Dec.	211		Molsons	100	3,083,070			3,000,000	1st Jan. q.	2½	210	210	210	210	230	225	21
261	250	261	Feb.	252¼	Sept.	255	252	Montreal	100	14,400,000			11,000,000	1st Dec. q.	2½	256	256	255	256	265	259½	58
285	261¼	297½	Nov.	273	July.	295		Nova Scotia	100	3,000,000			5,250,000	1st Jan. q.	3	289½	292¾	290	292¾	290	286	17
230	215	233	May	222	Dec.	226		Ottawa	100	3,000,000			3,000,000	1st Dec. s.	5					227	226	
143	127½	145	June	139½	Jan.	138	135	Quebec	100	2,500,000			1,150,000	1st Dec. q.	1¾					142½	141½	
229	209¼	247½	Nov.	222	Mar.	238		Royal	100	3,900,000			4,390,000	1st Jan. q.	2½					....	230	
132½	131½	155¼	Mar.	133	Dec.	133	131½	Sovereign	100	3,976,320			1,255,950	16th Nov. q.	1½	130	232½	130	132½	147	145½	54
238	218	250¼	June	223	†April	233	229	Standard	50	1,491,825			1,591,825	1st Dec. q.	3					....	....	
246	226	251	Feb.	222	Dec.	235	231	Toronto	100	3,954,640			4,454,640	1st Dec. s.	5	232	232	232	232	....	....	48
146	133	155	Mar.	138½	*Dec.			Traders	100	4,322,537			1,900,000	1st Jan. q.	1¾	°139	140	139½	139	....	152½	27
147¼	139¾	158	Oct.	143¼	Jan.			Union	100	3,000,000			1,500,000	1st Dec. s.	4					146	144½	
								TRANSPORTATION														
177	131	201	Dec.	155¾	May	186½	181	Canadian Pacific Railway	100	121,680,000	37,853,333	89,200,459		1st Oct. s.	3½	182	182	179	°180½	173¼	172¾	704
96¼	75½	102	Feb.	79¼	Dec.	80½	79¾	Detroit United	100	12,500,000		20,387,000	1,431,155	1st Feb. q.	1¼	78	79	77¾	79	101½	101	2,297
41⅞	10⅛	21	Aug.	16¾	July			Duluth	100	12,000,000	10,000,000											
110¼	100	108	Jan.	100	Oct.			Halifax Electric	100	1,350,000		00,000	195,000	1st Jan. q.	1½	°100	103	100	103	109	103	12
38	14	50	Aug.	35	Mar.			Havana Electric	100	7,500,000		8,[illegible]1,036				45¼	45¼	45	45	40	37	300
97⅞	79	97⅞	May.	79	Jan.			Havana Electric, preferred	100		5,000,000			15th Jan. q.	1					85	82	
		101½	Feb.	88½	*Dec.		93	Illinois Traction, preferred	100	5,810,000	2,240,000	11,241,500		1st Jan. q.	1½	90½	92½	90½	92½	....	....	58
145	189½					115½	115¼	Minneapolis, St. Paul and Sault Ste. Marie	100	14,000,000	7,000,000	44,295,000		15th Oct. s.	2	112	112	108	112	....	156	615
240½	212	284	Aug.	211	†Dec.	230	225	Montreal Street	50	7,000,000		9,609,367	907,623	1st Feb. q.	2½	218	226	°215	226	273	272½	1,261
83	57½	110¼	Nov.	80½	Jan.	98		Northern Navigation	100	840,000			71,184	19th Jan. a.	6+1½					90	88	
		33¼	Feb.	27	*Dec.			North Ohio Traction	100	6,900,000		6,375,000		15th Dec. q.	½	30	30	30	30	33¼	32½	50
76½	61½	88¼	Oct.	69¾	Jan.	80	79	Richelieu and Ontario	100	3,132,000		222,406	254,660	1st Dec. q.	1¼	78	80	77	79¼	84	83½	249
		48	Nov.	38½	Oct.	46⅞	46	Rio de Janeiro	100	21,993,900		20,900,000				46½	46¼	45½	46⅛	....	....	1,716
142⅞	106½	146	Feb.	125	Oct.		132	Sao Paulo	100	7,500,400		5,500,000		1st Jan. q.	2	132½	132½	132	132½	144	143½	115
35½	21	36¼	Jan.	25	Dec.	30	26	Toledo Railway	100	12,000,000		10,854,000		2nd Nov. s.	1	27	°28	27	27½	35½	34	325
112½	103	126	Mar.	112	*Dec.	113¾	113¼	Toronto Railway	100	7,000,000		3,613,000	1,918,322	1st Jan. q.	1½	110¼	113	110⅛	113	119	118½	445
		95	Nov.	88½	*Dec.	96		Tri-City, preferred	100	9,000,000	2,600,000		6,464,000	1st Nov. q.	1¼	°90½	90½	90	90	....	....	30
95¾	78	92	Mar.	80	Dec.			Trinidad Electric	100	1,164,000			720,000	10th Jan. q.	1¼					92½	....	
122½	104¾	122¼	Jan.	102½	Dec.	104	103⅝	Twin City	100	18,000,000	3,000,000	15,566,000	1,010,205	15th Nov. q.	1¼	103¾	104	102⅝	103¾	119	118¼	1,209
192½	114½	190	Mar.	160	Oct.		175	Winnipeg Electric	100	4,000,000		3,500,000	686,934	1st Jan. q.	2	178	178	178	178	187	185	111
								TELEGRAPH, LIGHT AND POWER														
162	149	158¾	Feb.	145	*Dec.	144		Bell Telephone	100	9,000,000		2,325,000	3,132,876	15th Jan. q.	2	140	140½	140	140½	158	156	175
214	206	209	Mar.	200	*Oct.	204	201	Consumers Gas	50	2,500,000			973,155	1st Feb. q.	2½	200¼	204	200¼	204	208	207	113
60	37	77⅛	June	57⅞	Jan.	72½	72¼	Mackay, common	100	41,380,400				1st Jan. q.	1	°71⅞	71⅞	71	71¾	61¾	61⅝	1,236
76½	71¼	76⅛	June	68	Dec.	70	69¾	Mackay, preferred	100		50,000,000			1st Jan. q.	1	69½	69¾	69¼	69½	74½	74	762
93	77¾	99½	Nov.	86	May	91¾	91½	Montreal Power	100	17,000,000		846,000		15th Nov. q.	1¼	88¼	92½	87¾	91	93	92⅞	2,217
70	66½	70	Jan.	47½	Oct.		54	Mexican Light and Power Co	100	13,600,000		12,000,000				52	54	51¼	54	67¼	66¾	568
162¼	145½	171	Nov.	152	July	160		Toronto Electric Light	100	2,991,910		1,000,000	300,000	1st Jan. q.	2	158	158	158	158	....	160	10
								INDUSTRIALS AND MISCELLANEOUS														
178	136⅞	155	Jan.	130	Oct.	132	130¾	Canadian General Electric	100	4,700,000	300,000		1,671,082	31st Dec. q.	2½	129	130¼	129	129⅝	....	144¾	497
28⅜	16¾	34¼	April	20½	Nov.	22¼	22	Dominion Steel, common	100	20,000,000		10,044,833				18⅛	23½	17¾	23	32½	32	8,036
75¾	60¼	83½	May	60	Nov.	60	57	Dominion Steel, preferred	100	5,000,000						54	58¼	54	58¼	78½	78¼	1,375
86½	59⅞	84½	Feb.	58	Nov.	63½	62	Dominion Coal	100	15,000,000						58	62	58	62	82	81½	585
119	114	122	Mar.	112	Nov.			Dominion Coal, preferred	100	3,000,000		5,691,198		1st Feb. s.	3½	110	110¼	110	110¼	122½	120	37
104½	80	109¾	Mar.	95¼	Nov.	98½	97½	Dominion Textile, preferred	100	7,500,000	1,940,000		b 6,966,660	15th Jan. q.	1¾					107	106⅛	
118	88	100	Sept.	89	Jan.			Lake of Woods Milling	100	2,000,000				3rd Oct. s.	3					92	89	
122	110	115	Sept.	108	Dec.			Lake of Woods Milling, preferred	100		1,500,000			1st Dec. q.	1¾	108	109	107½	107½	112	109	149
110	60	114	Jan.	97	Oct.			Montreal Steel	100	700,000				8th Jan. bal.	4½	98½	98½	98½	98½	114½	....	100
119	99	115	Feb.	106	Nov.			Montreal Steel, preferred	100		800,000			8th Jan. q.	1¾					116	113	
69½	51¼	74½	Feb.	60	May	72	70	Nova Scotia Steel, common	100	5,000,000			b 3,838,000			68½	72	68½	72	72¼	72⅛	1,195
122	109¾	125	Aug.	118	*Jan.			Nova Scotia Steel, preferred	100		1,030,000			15th Jan. q.	2					122	118	
								Ogilvie Flour	100	1,250,000		1,000,000		Sept. a.	7							
140	124½	130	Jan.	123	Dec.			Ogilvie Flour, preferred	100		2,000,000			1st Dec.	1¾					130	127	
							240	Nipissing Mines Co	5	6,000,000				20th Jan. q.	3x2	240	245	240	242½	....	....	540

*Ex-div. †Ex-allotment °Less than ten shares.

Inactive Stocks

Latest price		STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		Range for year 1906		Last Sale
Ask	Bid						Date	Per cent.	High	Low	
		BANKS									
	148½	British North America	243	4,866,666		2,141,333	5th Oct. s.	3	146⅛	141	148½
163		Eastern Townships	100	2,939,200		1,860,000	1st Jan. q.	2	163¼	160	162
156½		Hochelaga	100	2,000,000		1,600,000	1st Dec. q.	2	163	†144	155
		Nationale	30	1,633,089		600,000	1st Dec. q.	1¾	124	121	120
		LOAN AND TRUST									
	122	Agricultural Loan	50	630,200		265,000	2nd Jan. s.	3			
127	124	Canada Landed	100	1,004,000		505,000	2nd Jan. s.	3 plus 1	125	117½	125
	125	Canada Permanent	10	6,000,000		2,450,000	1st Jan. s.	3	131	124	128½
	160	Central Canada	100	1,500,000		1,050,000	1st Jan. q.	2	172	160	
75		Col. Investment, preferred	10	2,398,701		119,808	1st Jan. s.	3	89	75	75
	71	Dominion Savings	50	934,597		80,000	31st Dec. s.	2	73	70	72
124	121	Hamilton Provident	100	1,100,000		450,000	2nd Jan. s.	3	124	120	124
188	184	Huron and Erie	50	1,900,000		1,525,000	2nd Jan. s.	4½	188½	183	185
		Imperial Loan	100	735,467		65,000	2nd Jan. s.	2½	70	70	70
	124	Landed Banking	100	700,000		310,000	2nd Jan. s.	3	125	121	122
107½		London and Canada Loan	50	1,000,000		225,000	2nd Jan. s.	3	111¼	105	108½
118		London Loan	50	679,450		116,000	1st Jan. s.	3			
		Montreal Loan	25	500,000		400,000	15th Sep. s.	3½	138	*133¼	136
		North of Scotland	£10	£50,000		£35,000	5 s. plus	2½			
	158½	National Trust	100	1,000,000		400,000	2nd Jan.	1¾	157	155	156½
	134	Ontario Loan and Debenture	50	1,200,000		655,000	2nd Jan. s.	3¼	140	128¼	135
	90	Real Estate Loan	40	373,720		65,000	2nd Jan. s.	2½ plus ½	90	85	89½
		Toronto General Trusts	100	1,000,000		325,000	2nd Jan. s.	3¾	160	140	*150
	110	Toronto Mortgage Co	50	724,550		290,000	2nd Jan. s.	3	115½	105½	111
		Toronto Savings	100	1,000,000		550,000	1st Jan. q.	1½			

Latest price		STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		Range for year 1906		Last Sale
Ask	Bid						Date	Per cent.	High	Low	
		OTHER COMPANIES									
		British America Assurance	25	848,226		191,787	3 °/o passed		98	97	97
		British Columbia Packers, pfd	100	1,511,400	1,270,000		3½ for 6 mos. May. 20, '05		80½	59¾	80
58	52	Canada Col. Cotton	100	2,700,000	b 2,000,000		15 Dec.	1	60	45	57
		Canada Life Assurance	400	1,000,000			1st Oct.	4	163	163	155
		Canadian Converters, Limited	100				Feb. q.	1	60	60	60
		Canadian Salt	100	500,000			1st Jan. q.	2	110¼	*108	108
	34	Canada North-West Land	25	1,467,681			a		500	400	480
		City Dairy	100	565,000		7,500	31st Dec. q.		38	21½	36
		City Dairy, preferred	100	271,620			2nd Jan.	1¾	94¼	82¼	89
	120	Confederation Life Association	100	100,000			1st Jan. s.	7½	285	272½	285
		Dominion Telegraph	50	1,000,000			15th Jan. q.	1¼	121	*119	120
		Hamilton Electric Power, pfd	100	1,700,000	2,895,700		15th Jan. s.	2¾			
		Imperial Life Assurance	100	450,000			1st Jan. q.	1½	149	149	185
		Intercolonial Coal	100	500,000	b 242,500	90,474	Sept. s.	3½	90	84	85
		Intercolonial Coal, preferred	100		219,700		Sept. s.	3			100
108	104	Laurentide Paper	100	1,600,000			1st Feb. s.	3	107½	89½	93
		Laurentide Paper, preferred	100		1,200,000		1st Jan. q.	1	114¾	100¼	106¼
		London Electric	100	404,610		75,000	1st Dec. s.	3	95	89¾	89¾
129	124	London Street	40	500,000	b 550,000		31st Dec. s.	3¾	97¼	97¼	97¼
	160	Montreal Cotton	100	3,000,000	b 350,000		15th Dec. q.	1¾	135	122	128
		Montreal Telegraph	40	2,000,000			15th Jan. q.	2	171	162	160
	75	Niagara Navigation	100	701,300	b 111,000	98,000	2nd Jan. s.	4	133¼	117	122
		Niagara, St. Cath. and Toronto	100	925,000					80	75	80
		Ottawa Electric Railway	100	814,800		192,280	2nd Jan. q.	2			
		Western Assurance	20	1,500,000		419,836	passed		98	96	96
		Windsor Hotel	100	600,000	b 1,100,000		Dec. s. 4 plus 1		*105	100	107½

NOTE.—s.—semi-annual; q.—quarterly; plus indicates bonus; b. means bonds.

°—Less than ten shares.

a—$12 50 per share return of capital payable March 15, 1907.

FINANCIAL CALENDAR.

(Week ending February 16th.)

Annual Meeting.

Feb. 12.—Confederation Life Association.
Richelieu and Ontario Navigation Co.
Industrial Mortgage & S. Co.
Montreal Cotton Co.
Continental Life Ins. Co.

Feb. 13.—Royal Bank.
Colonial Invest Co. of Winnipeg.
Kingston & Pembroke Rwy. Co.
Cumberland Rwy. & Coal Co.

Dividends Payable.

Feb. 15.—Montreal Power 1¼ quarterly.
Twin City Rapid Transit, 1¼ quarterly.
Canadian Converters 1 quarterly.

Feb. 16.—Sovereign Bank 1½ quarterly.

Dominion Steel.

The Montreal Star says: "The recent output at Sydney is giving the shareholders a good deal of confidence, and it is of course, well known that the company, in spite of the increased cost of coal, is earning its fixed charges, sinking fund, and is showing something on the preferred. Some time ago Mr. Plummer stated that it was the purpose of the Board to give the shareholders a statement of just how matters stand, and some of the other directors are strongly in favor of this plan to take the shareholders into their confidence. It is probable, therefore, that some figures will be forthcoming in a short time. There has been nothing new of late in the steel-coal negotiations. The steel board as a whole is standing pat.

THE BOND MARKET

TRANSACTIONS FOR THE WEEK ENDING FEB. 8

BONDS	Rate	Closing		Sales Week Feb. 7
		Asked	Bid	$
Bell Telephone Co.	5			
Can. Colored Cotton Mills Co.	6	98½		
Commercial Cable Co.	4			
Dominion Coal Co.	5	99		1,000
Dominion Cotton Mills Co.	6	96	94	9,500
Dominion Iron & Steel Co.	5	80	79	34,000
Dominion Textile Co., Series A.	6		91	
Do. Do. Series B.	6		92	
Do. Do. Series C.	6		91	
Do. Do. Series D.	6			
Halifax Electric Tramway Co.	5	102	101	6,000
Havana Electric Railway Co.	5	89½		
Intercolonial Coal Co.	5			
Lake of the Woods Milling Co.	6			1,000
Laurentide Paper Co.	6	111	109	
Mexican Electric Light Co.	5	78¼	78	6,500
Mexican Light & Power Co.	5	82¼	82⅛	21,000
Montreal Light, Heat & Power Co.	4½			
Montreal Street Railway Co.	4½			
Nova Scotia Steel & Coal Co. 1st Mtg.	6	110½	108	
Do. Do. Cons. Mtg.	6		101½	
Ogilvie Flour Mills Co.	6	118	116	
Price Bros. Co.	6		103	
Rio de Janeiro Tramway, L. & P. Co.	5	78¾	78¼	28,500
Saint John Railway Co.				
Sao Paulo Tramway L. & P. Co.	5		94½	11,000
Winnipeg Elect. Street R'y. Co.	5	105½		1,000
Montreal Water & Power Co.	5			
Montreal City, Stock	7			
Do. Stock	4			

The annual statement of the Crown Bank indicates what can be done by a under able and careful management. It shows that the institution in 1906 earned profits of $41,930, or 4.88 per cent. on an average paid-up capital of $845,925. This compares with $33,198 earned 1905.

The sum of $22,785 was received as premium on new stock, and $52,499 was brought forward from 1905. Dividends of 4 per cent. absorbed $33,837, and $83,377 was carried forward to 1907.

On Dec. 31, 1906, the bank's paid-up capital totalled $940,780. During the year its note circulation rose from $472,645 to $622,520, its deposits from $2,014,383 to $3,493,094, its current loans from $2,099,897 to $3,088,834. The statement shows total assets of $5,346,597, against $3,324,589 a year ago.

CURB QUOTATIONS.

Week ending Feb. 8th, 1907.

NAME	Stock Issued.	Acreage.	High	Low	Last bid	Sales Week Ending Feb. 7th
Abitibi & Cobalt Mining Co.			.43	.36	.05	2,700
Beaver Silver Cobalt Mining Co.	500,000	20	.69	.59½	.60	13,578
Buffalo Mines Co.	900,000	40				
Cobalt Silver Queen	1,500,000	58	2.25	2.12	2.16	2,655
Cleveland Cobalt Silver Mines	1,000,000	114	.90	.90		725
Coniagas	4,000,000	40	4.50	4.40	4.00	440
Empress Cobalt	500,000	40				
Foster Cobalt Mining Co.	1,000,000	40	2.45	2.24	2.30	8,964
Green-Meehan Mining Co.	1,500,000	40	1.43	1.30	1.30	400
Kerr Lake Mining Co.	3,000,000	52				
McKinley-Darragh-Savage Mines	2,000,000	120	2.29	2.29		100
Peterson Lake	2,500,000	225	.51	.50	.50	1,600
Red Rock Silver Mining Co.	1,000,000	30				
Rothschild Cobalt Co.	500,000	40				
Silver Bar Mining Co.	500,000	25	.41½	.40	.35	3,200
Silver Leaf Mining Co.	5,000,000	40	.20	.19	.19	10,250
Stanley Smelters	500,000					
Temiscamingue Mining Co.	2,500,000	210			.90	
Trethewey	1,000,000	40	1.77	1.65	1.65	9,320
University Mines	1,000,000	56	10.00	10.00		20

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	High	Low	Last bid	Sales Week Ending Feb. 7th
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Canadian Gold Fields					.06½	
Consolidated Mining & Smelting	4,698,886		135 00	135 00		40
Consolidated Rubber Bonds	2,141,300	822,200 1,439,000	.90	.90	.90	35,000
Canada Cycle & Motor Co.	800,000		.30	.30		43
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000			.83	
Dominion Park						
Havana Central	6,250,000	6,250,000				
Illinois Traction Com.	5,810,000	3,214,300	40.00	40.00	.35	120
Mexico Tramways	6,000,000		62.00	62.00	61.00	500
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b	38.00	38.00	38.00	100
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Shawinigan L. & P.	6,500,000	4,000,000b	.43½	.43	43.00	300
Tri-City Railway & Light Co.	9,000,000	2,600,000				
Union Bank of Halifax			178.00	178.00		19
Western Bank of Canada	555,000					
Yukon Loan & Trust Co., Com.					115.00	

b Bonds